



# DULUTH AIRPORT AUTHORITY

## NOTICE OF THE DULUTH AIRPORT AUTHORITY

### BOARD MEETING

### PURSUANT TO MINN. STAT. § 13D.02

NOTICE IS HEREBY GIVEN Duluth Airport Authority will hold its *regular* meeting on **Tuesday June 20th, 2023 at 8:00 a.m.** in Hangar 1 at the Sky Harbor Airport, 5000 Minnesota Avenue, Duluth, MN 55802.

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, mobile app or room device**

[Click here to join the meeting](#)

Meeting ID: 269 793 742 915

Passcode: sMJXJa

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

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  
MEETING AGENDA  
JUNE 20, 2023**

**HANGAR 1  
SKY HARBOR AIRPORT**

**I. \*EXECUTIVE DIRECTORS REVIEW**

Information Letter to DAA Directors.

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

A. Approval of May 16, 2023, Meeting Minutes.

**III. \*DAA CASH DISBURSEMENTS**

A. Operating Check Register Sheets #11 - #15 of 2023; Operating ACH Payment Registers #12 - #14 of 2023; Construction ACH Register #3 of 2023.

**IV. \*CORRESPONDENCE**

- A. E-Mail from Monaco Air Foundation with Summary of May 2023 Activities; June 1, 2023.
- B. Link for Metropolitan Airports Commission (MAC) Minutes --  
<https://metroairports.org/archived-commission-meetings>
- C. Duluth News Tribune Article Dated May 16, 2023: FAA eyes locations for Duluth airport tower.
- D. Duluthian Article Published May/June 2023: High-Flying Thrills
- E. DLH Construction Newsletter:
  - a. Dated May 19, 2023
  - b. Dated: May 26, 2023
  - c. Dated: June 2, 2023
  - d. Dated June 9, 2023
- F. Tenant and Airfield User Notice of Ranch Hangar Project, Dated June 12, 2023
- G. ATCT Funding Update to Area Legislators From Tom Werner
  - a. Email Dated June 1, 2023 to Representative Alicia Koslowski
  - b. Email Dated June 1, 2023 to Senator Jennifer McEwen
  - c. Email Dated June 1, 2023 to Representative Liz Olson
  - d. Email Dated June 1, 2023 to Senator Grant Hauschild
  - e. Email Dated June 1, 2023 to Representative Natalie Zeleznikar
- H. DLH Notification of Aviation Related Impacts to the Construction of the Proposed New Air Traffic Control Tower at Site 6, Dated June 1, 2023
- I. FAA Airport Traffic Control Tower (ATCT) Site 6 Concurrence Letter Signed June 2, 2023
- J. Email from Steve Bulwicz RE: Sky Harbor New Terminal, Dated June 10, 2023
- K. Letter to Chairman Sam Graves and Ranking Member Rick Larsen Re: Support Raise the Pilot Age, Dated June 12, 2023
  - a. RAA Myths & Facts
  - b. RAA Pilot Supply and air Service Loss





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

**VI. OLD BUSINESS**

None

**VII. NEW BUSINESS**

- A. Resolution of Support of the Air Traffic Control Tower Replacement Project.
- B. Resolution to Accept and Approve Duluth International Airport MnDOT Maintenance and Operations Grant Contract 1053348 and to Authorize the Duluth Airport Authority's President and Secretary to Execute the Contract and Any Amendments.
- C. Resolution to Accept and Approve Sky Harbor Airport MnDOT Maintenance and Operations Grant Contract 1053349 and to Authorize the Duluth Airport Authority's President and Secretary to Execute the Contract and Any Amendments.
- D. Resolution to Approve Incentive Award Payments of \$1000 Each, for Outstanding Performance Per DAA Operating Policy #5 to the Following Employees: Mr. Ryan Welch, Mr. John Graves, Mr. Paul Sinnott, Mr. Dan Taylor, Mr. Wade Cossalter, Mr. Matt Johnson, Mr. Roger Engelmeier, Mr. Derek Anderson, Mr. Tristan Durfee, Mr. Justin Tibodeau, Mr. John Orrey, and Mr. Mike Felleron.
- E. Resolution to approve Master Service Agreement between EXP and the Duluth Airport Authority.
- F. Resolution to Approve Sponsorship Agreement Between the Duluth Airport Authority and AMSOIL INC.
- G. Resolution to Approve Sponsorship Agreement Between the Duluth Airport Authority and Duluth Pack.
- H. Resolution to Approve an Estoppel Agreement Between the Duluth Airport Authority and Cirrus Aircraft.
- I. Resolution to Approve Non-Disturbance, Recognition and Attornment Agreement Between the Duluth Airport Authority and Cirrus Aircraft.
- J. Resolution to Approve the Professional Services Master Services Agreement and Task Order 1 Between the Duluth Airport Authority and Decomm Aviation Consulting.
- K. Resolution to Approve the Selection of Duluth Airport Authority Officers.
- L. \*April 2023 Financial Reports
- M. \*June 2023 Accounts Receivable
- N. \*May 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

I.

**DATE: June 20, 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.
- JumpStart Airline Meetings Recep

## **OPERATIONS/CONSTRUCTION/PLANNING**

- Planning:
  - ATCT Architecture and Engineering RFQ Update
  - AFTIL Site #6 Impacts to Approaches to Runway 3
- Construction:
  - Taxiway A Phase 2 + 4 Update
- Operations and Maintenance:
- Sky Harbor:
  - Airport Terminal Program – Sky Harbor Airport Terminal Update
  - Airport Snow Removal Equipment (SRE) Building Update

## **BUSINESS/PROPERTY DEVELOPMENT**

- FAA Funding Eligibility
- MN Power Project Progress Update
- City of Duluth Zoning Update
- New Car Rental Agreement Update

## **FINANCIAL UPDATE**

- DAA FY 2022 Audit Update
- Vacant Position Update
- MMB Bonding Request
- Operating Policy Update

## **MARKETING/COMMUNICATIONS**

- Sky Harbor Naming Proposal
- UMD Contract Update
- RFQ Timing Update



**LEGISLATIVE UPDATE**

- Air Traffic Control Tower Legislative Funding Request
- Duluth Area Chamber of Commerce Joins Rally for Air Service

**PRESENTATIONS/TOURS/TRAVEL RECAP**

- Metropolitan Interstate Commission (MIC) Airport Update
- MIC Technical Advisory Committee Airport Update
- MIC Harbor Technical Advisory Committee Sky Harbor Update

**OTHER**

- NSR

Submitted by,

Tom Werner, C.M.  
Executive Director



## DULUTH AIRPORT AUTHORITY

### DULUTH AIRPORT AUTHORITY MEETING MINUTES MAY 16, 2023

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

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

**OTHERS PRESENT:** Tom Werner, DAA Executive Director  
Mark Papko, DAA Dir. of Operations  
Jana Kayser, DAA Dir. of Business Development  
Joelle Bodin, DAA Dir. of Finance and Admin  
Shawn McMahon, SEH  
Mike Magni, Monaco Air Duluth  
Eric Monson, LSH

**OTHERS PARTICIPATING VIA ELECTRONIC MEANS:**  
Don Monaco, Monaco Air Duluth  
Scott Sannes, SEH  
Ryan Falch, SEH  
Allison Andrashko, SEH  
Kathy Leon, DAA  
Heather Fisher, Cirrus  
Matthew Stewart, SEH  
Paul Huston, HNTB

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

- Present: Dir. Crawford, Dir. O'Brien, Dir. Henderson, Dir. Hansen, Dir. Anderson, Dir. Markham – via electronic means
- Absent: None

Dir. Maki invited Mr. Tom Werner to provide the Executive Director's Review:

#### I. EXECUTIVE DIRECTORS REVIEW

- **Air Service:** Mr. Werner provided an update on current air service. Notice from Sun Country came last week stating that the Phoenix route will not continue next year, but the Fort Myers route is planned to continue as direct-nonstop.
- **Operations/Construction/Planning:** Mr. Papko provided the following updates:
  - ATCT Architecture and Engineering RFQ Update: Interviews were completed for three firms. The top scoring firm was selected to begin contract negotiations. Each of the three firms were qualified. The contract for this project will come to the board in June.
  - Taxiway A Phase 2 + 4 Update: Phase 4 is concentrated on currently. Snow needed to be removed to complete this construction. Construction started on May 15<sup>th</sup>.



## DULUTH AIRPORT AUTHORITY

- CBP FIS Construction Update: Three costs to be updated with the board. This was approved with the planning in 2022. CBP One-time Equipment of \$90,381.97, CBP Annual Reoccurring Costs - \$14,830.22, 30% Construction Upgrade Costs - \$558,000.00.
  - Sky Harbor Airport Terminal Design: The final rendering was shared with the floor plan and eligibility of space within the terminal. Stakeholder outreach was shared as well. Construction is planned for August 15<sup>th</sup> with construction completed by July of 2024.
  - **Business/Property Development:** Ms. Kayser provided an update on the following:
    - Airline Consultant RFQ: One proposal was received, and a contract will be prepared for approval in June.
    - Letter of Intent Updates: A redline version of the LOI was sent to Lifelink for review. This is the same document that will be used for the Cirrus project.
  - **Financial Update:** Ms. Bodin provided an update on the following topics:
    - 2022 Financial Audit: The final GASB 87 work will be completed this week so the audit can be completed by the end of the month.
    - Vacant Positions: There are currently four open positions with the DAA. Each of these positions have been posted on Indeed, North Force and on the DAA website.
    - Operating Policies: One provision of the legacy purchase policy allowed the Executive Director to enter in to license and lease agreements of three months or less. There are three other policies addressing agreement or contract items. DAA staff will work to incorporate all of the contract and lease items into one operating policy for board approval in June.
    - The first quarter financial presentation was shared along with a slide showing the current outstanding grant receivable balance.
  - **Marketing/Communications:** Mr. Werner provided an update on the following topics:
    - Duluth Pack will continue to advertise in the baggage claim.
    - Twin Ports Dermatology will issue a one-year extension to their contract.
    - The Marketing RFQ Deadline is May 25, 2023. Natalie will be working through the evaluation process and the summer season campaign.
  - **Legislative:** Mr. Werner provided an update on the following topics:
    - Air Traffic Control Tower Legislative Funding Request: It appears as though the \$14 million bonding request will not be a part of the smaller all-cash bill this session. Staff are preparing to submit a bonding request for 2024. Mr. Werner met with the legislative team to work through the strategy to secure funding. Staff are working to submit the federal grant application for this project in early fall.
    - State Bill Banning PFAS in Class B Firefighting Foam: At a point of steady state waiting for the environmental omnibus bill to reach passage.
  - **Presentations/Tours/Travel Recap:** Mr. Werner Provided an update on the following topics:
    - MCOA Conference: Staff attended and accepted the 2022 Outstanding Leadership in Airport Planning, Environment and Strategic Initiative Award. Mr. Werner thanked SEH and L&B for their foundational work on the master planning project. Story boards were shared in the back of the room for this project.
    - Mr. Werner presented to Leadership Duluth and will be presenting to MIC/TAC and MIC.
    - Mr. Werner provided a reminder that the June Board Meeting will be down at Sky Harbor and the Operational Department Audit will be begin after a contract is signed with a consultant later this week.
- II. \*APPROVAL OF PREVIOUS MEETING MINUTES & OTHER CONSENT AGENDA ITEMS AS INDICATED BY \*:**
- A. Approval of April 21, 2023, Meeting Minutes.



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

### III. \*DAA CASH DISBURSEMENTS

- A. Operating Check Register Sheets #9 and #10 of 2023; Operating ACH Payment Registers #9, #10 and #11 of 2023; Construction ACH Register #2 of 2023.

### IV. \*CORRESPONDENCE

- A. E-Mail from Monaco Air Foundation with Summary of April 2023 Activities; May 1, 2023.
- B. Link for Metropolitan Airports Commission (MAC) Minutes -- <https://metroairports.org/archived-commission-meetings>
- C. MnDOT Letter from Robert Golish Dated 1/9/23 Announcing a Merit Award for Taxiway Alpha Project.
- D. AAAE Article Dated April 19, 2023: Lawmakers Examine Workforce Challenges
- E. PoliticoPro Article Dated April 25, 2023: Mayday in rural America: What happens when airlines leave a city.
- F. DLH Construction Newsletter: Dated May 5, 2023
- G. APEX Letter to Governor Walz Dated May 5, 2023
  - a. Environmental Justice Areas
  - b. Duluth Environmental Just Areas of Concern that may require Cumulative Impact Analyses
  - c. Duluth Air Permits Active

### V. OPPORTUNITY FOR PERSONS TO BE HEARD

- None

### VI. OLD BUSINESS

- None

### VII. NEW BUSINESS

- A. Resolution to Approve Work Order 2023 – 06 between the Duluth Airport Authority and Short Elliot Hendrickson, Inc. for the Construction Administration of the Taxiway C North at Duluth International Airport.
  - Mr. Papko shared a slide of the project sharing that this for the construction administration and is funded by a 70/30 state grant.
  - Dir. Maki entertained questions or a motion.
    - Motion: Dir. Hansen
    - Second: Dir. Markham
    - Abstain: Dir. Anderson
    - Result: Votes were taken by roll call. All voting members said aye. This resolution was adopted.
- B. Resolution to Approve Work Order 2023 – 07 between the Duluth Airport Authority and Short Elliot Hendrickson, Inc. for Deice Tank and Pad Design and Construction Administration at Duluth International Airport (DLH).
  - Mr. Papko shared a slide for this project including design and construction administration for a deice pad. This a concrete pad and a tank for deice fluid and is funded at a 90/10 rate.
  - Dir. Maki entertained questions or a motion. Effectiveness of the deicing fluid was discussed.
    - Motion: Dir. Henderson
    - Second: Dir. Crawford
    - Abstain: Dir. Anderson
    - Result: Votes were taken by roll call. All voting members said aye. This resolution was adopted.



- C. Resolution to Award Taxiway C North Mill and Overlay Construction Contract in the Amount of \$296,780 to KGM Contractors Inc.
  - Mr. Papko shared a slide for Taxiway C North Mill and Overlay to KGM. This is a short-term solution until 321 can be fully reconstructed in 5 or 10 years. The bid came under the engineer’s estimate. The selected contractor is already on site, so they were able to provide competitive pricing.
  - Dir. Maki entertained questions or a motion.
    - Motion: Dir. Crawford
    - Second: Dir. Markham
    - Abstain: None
    - Result: Votes were taken by roll call. This resolution was adopted unanimously.
  
- D. Resolution to Approve and Adopt Revised Operating Policy #18: Purchasing Policy.
  - Ms. Bodin shared the highlights of the policy changes and recommended approval.
  - Dir. Maki entertained questions or a motion.
    - Motion: Dir. Henderson
    - Second: Dir. Anderson
    - Abstain: None
    - Result: Votes were taken by roll call. This resolution was adopted unanimously.
  
- E. \*March 2023 Financial Reports
- F. \*May 2023 Accounts Receivable
- G. \*April 2023 Airline Statistics, Landline Statistics

**VIII. DIRECTOR’S REPORTS**

- Dir. Anderson asked how the open positions are affecting operations and whether changes have been made to how the DAA recruits for people or whether staff sees the positions being filled. Discussion followed regarding where the positions are posted and about the upcoming operations department audit and staff workload.
- Dir. Anderson asked whether staff has analyzed the impact of policies like the new paid family leave policy. Discussion followed. DAA staff is looking at the organization to add staff in order to support a continuity of operations when staff is out for an extended period of time and provide redundancy.
- Dir. Henderson asked if the individual who was offered a position with the DAA and turned it down provided feedback on whether it was pay, or benefits related. Discussion followed.

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

- Motion: Dir. O’Brien
- Second: Dir. Hansen
- Abstain: None
- Result: Votes were taken by roll call. This resolution was adopted unanimously.
- The meeting was adjourned at 8:52 a.m.

Respectfully submitted,

Joelle Bodin  
Director of Finance & Administration

Tom  
Werner

*Digitally signed by  
Tom Werner  
Date: 2023.05.17  
13:01:06 -05'00'*

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

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



**Duluth Airport Authority  
DAA Operating Check Register #11-2023  
May 5, 2023**

**Document Number From 11816 through 11824**

Document Number	Date	Transaction Type	Payee	Amount
11816	5/5/2023	BILLPMT	AT&T Mobility	\$647.23
11817	5/5/2023	BILLPMT	Cartier Agency	\$16,538.00
11818	5/5/2023	BILLPMT	Cummins Inc.	\$315.80
11819	5/5/2023	BILLPMT	Linde Gas & Equipment Inc.	\$89.55
11820	5/5/2023	BILLPMT	Lumacurve Airfield Signs	\$1,545.26
11821	5/5/2023	BILLPMT	Minnesota Power	\$36,268.59
11822	5/5/2023	BILLPMT	NAPA Auto Parts	\$27.47
11823	5/5/2023	BILLPMT	Nextera Communications	\$1,277.14
11824	5/5/2023	BILLPMT	Orrey, John	\$112.46
<b>Total</b>				<b>\$56,821.50</b>



Airport Director



City Treasury

Joelle Bodin

Finance Director

Tom Werner

Executive Director

Kimberly J. Maki

Board President

Signature:

  
Joelle Bodin (May 8, 2023 10:26 CDT)

Email: jbodin@duluthairport.com

Signature: Tom Werner

Email: twerner@duluthairport.com

Signature:



Email: makik@stlouiscountymn.gov



**Duluth Airport Authority  
DAA Operating Check Register #12-2023  
May 12, 2023**

**Document Number From 11825 through 11837**

Document Number	Date	Transaction Type	Payee	Amount
11825	5/12/2023	BILLPMT	Avis Rent A Car	\$236.30
11826	5/12/2023	BILLPMT	City Of Duluth Comfort Systems	\$17,011.52
11827	5/12/2023	BILLPMT	Cummins Inc.	\$294.60
11828	5/12/2023	BILLPMT	Dalco	\$308.16
11829	5/12/2023	BILLPMT	Konecranes	\$1,560.00
11830	5/12/2023	BILLPMT	Linde Gas & Equipment Inc.	\$240.64
11831	5/12/2023	BILLPMT	Lumacurve Airfield Signs	\$207.47
11832	5/12/2023	BILLPMT	Minnesota Petroleum Service	\$562.96
11833	5/12/2023	BILLPMT	NAPA Auto Parts	\$592.54
11834	5/12/2023	BILLPMT	Northern Tool & Equipment	\$905.91
11835	5/12/2023	BILLPMT	Olson, Gene	\$1,198.84
11836	5/12/2023	BILLPMT	Sir Ben's	\$125.94
11837	5/12/2023	BILLPMT	Taylor, Dan	\$60.00
<b>Total</b>				<b>\$23,304.88</b>



Airport Director




City Treasury

Joelle Bodin  
Finance Director

Tom Werner  
Executive Director

Kimberly J. Maki  
Board President

Signature:   
Joelle Bodin (May 12, 2023 14:16 CDT)  
 Email: jbodin@duluthairport.com

Signature: Tom Werner  
 Email: twerner@duluthairport.com

Signature:   
 Email: makik@stlouiscountymn.gov

**Duluth Airport Authority  
DAA Operating Check Register #13-2023  
May 26, 2023**

**Document Number From 11838 through 11849**

Document Number	Date	Transaction Type	Payee	Amount
11838	5/26/2023	BILLPMT	Brock White Company LLC	\$488.14
11839	5/26/2023	CHK	Citi Cards	\$5,939.75
11840	5/26/2023	BILLPMT	Essentia Health	\$293.00
11841	5/26/2023	BILLPMT	iFIDS.com Inc.	\$125.00
11842	5/26/2023	BILLPMT	Linders Specially Co.	\$616.00
11843	5/26/2023	BILLPMT	Margo Supplies USA	\$953.74
11844	5/26/2023	BILLPMT	NAPA Auto Parts	\$223.37
11845	5/26/2023	BILLPMT	Norman & Associates, LLC	\$9,408.00
11846	5/26/2023	BILLPMT	Quadient Leasing USA, Inc.	\$531.72
11847	5/26/2023	BILLPMT	Schindler Elevator Corp	\$1,397.83
11848	5/26/2023	BILLPMT	St. Joseph Equipment Inc.	\$1,096.24
11849	5/26/2023	BILLPMT	Tennant Sales and Service Company	\$92.95
				<b>\$21,165.74</b>
Void Check #11836				-\$125.94
<b>Total</b>				<b>\$21,039.80</b>

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

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

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

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

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

Signature:   
Joelle Bodin (May 24, 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 #14-2023**  
**June 1, 2023**

**Document Number From 11850 through 11858**

Document Number	Date	Transaction Type	Payee	Amount
11850	6/1/2023	BILLPMT	AT&T Mobility	\$323.06
11851	6/1/2023	BILLPMT	Baker, Natalie M	\$317.92
11852	6/1/2023	BILLPMT	Innovative Office Solutions, LLC	\$228.89
11853	6/1/2023	BILLPMT	Linde Gas & Equipment Inc.	\$11.38
11854	6/1/2023	BILLPMT	NAPA Auto Parts	\$30.58
11855	6/1/2023	BILLPMT	Northern Tool & Equipment	\$89.99
11856	6/1/2023	BILLPMT	Schindler Elevator Corp	\$2,700.16
11857	6/1/2023	BILLPMT	Steve's Septic System	\$300.00
11858	6/1/2023	CHK	WF Bus Payment Processing - Tom	\$700.56
<b>Total</b>				<b>\$4,702.54</b>

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

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

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

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

Kimberly Maki  
 \_\_\_\_\_  
 Board President

Signature:   
Joelle Bodin (Jun 2, 2023 09:20 CDT)  
 Email: jbodin@duluthairport.com

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

Signature:   
Kimberly Maki (Jun 2, 2023 13:44 CDT)  
 Email: makik@stlouiscountymn.gov

**Duluth Airport Authority**  
**DAA Operating Check Register #15-2023**  
**June 9, 2023**

**Document Number From 11859 through 11862**

Document Number	Date	Transaction Type	Payee	Amount
11859	6/9/2023	BILLPMT	City Of Duluth Comfort Systems	\$13,238.40
11860	6/9/2023	BILLPMT	Minnesota Power	\$32,438.62
11861	6/9/2023	BILLPMT	Nextera Communications	\$1,242.93
11862	6/9/2023	BILLPMT	Spectrum Business	\$178.21
<b>Total</b>				<b>\$47,098.16</b>

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

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

**Joelle Bodin**

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

**Tom Werner**

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

**Kimberly J. Maki**

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

**Signature:**   
Joelle Bodin (Jun 9, 2023 14:28 CDT)

**Email:** jbodin@duluthairport.com

**Signature:** *Tom Werner*

**Email:** twerner@duluthairport.com

**Signature:** 

**Email:** makik@stlouiscountymn.gov

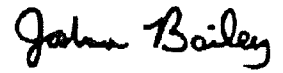
**Duluth Airport Authority**  
**DAA Operating ACH Payment Register #12-2023**  
**May 12, 2023**

**Confirmation #1310400**

Document Number	Date	Transaction Type	Payee	Amount
00000070/1	5/12/2023	BILLPMT	Acme Tools	\$295.21
00000070/10	5/12/2023	BILLPMT	Citon	\$6,962.80
00000070/11	5/12/2023	BILLPMT	Citon	\$1,060.00
00000070/12	5/12/2023	BILLPMT	Citon	\$726.16
00000070/13	5/12/2023	BILLPMT	Como Lube & Supplies	\$205.00
00000070/14	5/12/2023	BILLPMT	Como Lube & Supplies	\$245.00
00000070/15	5/12/2023	BILLPMT	Drako Media	\$1,142.50
00000070/16	5/12/2023	BILLPMT	Durfee, Tristan	\$60.00
00000070/17	5/12/2023	BILLPMT	General Security Services Corporation	\$1,822.20
00000070/18	5/12/2023	BILLPMT	General Security Services Corporation	\$24,658.20
00000070/19	5/12/2023	BILLPMT	Grainger, Inc.	\$351.24
00000070/2	5/12/2023	BILLPMT	American Association Of Airport Executives	\$150.00
00000070/20	5/12/2023	BILLPMT	Grainger, Inc.	\$175.24
00000070/21	5/12/2023	BILLPMT	Graves, John	\$60.00
00000070/22	5/12/2023	BILLPMT	Inter City Oil (ICO)	\$3,567.39
00000070/23	5/12/2023	BILLPMT	Jamar Company	\$7,675.00
00000070/24	5/12/2023	BILLPMT	Kaysner, Jana	\$60.00
00000070/25	5/12/2023	BILLPMT	Landrum and Brown, Incorporated	\$585.61
00000070/26	5/12/2023	BILLPMT	Leon, Kathy	\$60.00
00000070/27	5/12/2023	BILLPMT	Menards - Hermantown	\$30.31
00000070/28	5/12/2023	BILLPMT	Menards - Hermantown	\$10.67
00000070/29	5/12/2023	BILLPMT	Menards - Hermantown	\$10.38
00000070/3	5/12/2023	BILLPMT	Aramark	\$70.97
00000070/30	5/12/2023	BILLPMT	Menards - Hermantown	\$46.73
00000070/31	5/12/2023	BILLPMT	Menards - Hermantown	\$128.37
00000070/32	5/12/2023	BILLPMT	Menards - Hermantown	\$296.88
00000070/33	5/12/2023	BILLPMT	Menards - Hermantown	\$282.94
00000070/34	5/12/2023	BILLPMT	Menards - Hermantown	\$51.56
00000070/35	5/12/2023	BILLPMT	Northern Engine & Supply	\$35.85
00000070/36	5/12/2023	BILLPMT	Northern Engine & Supply	\$160.65
00000070/37	5/12/2023	BILLPMT	Northern States Supply, Inc.	\$3.92
00000070/38	5/12/2023	BILLPMT	Papko, Mark	\$60.00
00000070/39	5/12/2023	BILLPMT	SCS Interiors	\$855.00
00000070/4	5/12/2023	BILLPMT	Aramark	\$70.97
00000070/40	5/12/2023	BILLPMT	Sinnott, Paul	\$60.00
00000070/41	5/12/2023	BILLPMT	Snell, Matthew J	\$60.00
00000070/42	5/12/2023	BILLPMT	Sweet Green Landscapes LLC	\$1,981.85
00000070/43	5/12/2023	BILLPMT	Welch, Ryan	\$60.00
00000070/44	5/12/2023	BILLPMT	Werner, Thomas	\$60.00
00000070/45	5/12/2023	BILLPMT	Ziegler, Inc.	\$90.12
00000070/46	5/12/2023	BILLPMT	Ziegler, Inc.	\$546.27
00000070/5	5/12/2023	BILLPMT	Aramark	\$70.97
00000070/6	5/12/2023	BILLPMT	Aramark	\$70.97
00000070/7	5/12/2023	BILLPMT	Batteries Plus	\$233.98
00000070/8	5/12/2023	BILLPMT	Blueglobes LLC	\$249.84
00000070/9	5/12/2023	BILLPMT	Bodin, Joelle	\$60.00


**Total** **\$55,520.75**

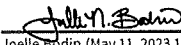
  
Airport Director

  
City Treasury

Joelle Bodin  
Finance Director

Tom Werner  
Executive Director

  
Board President

Signature:   
Joelle Bodin (May 11, 2023 14:53 CDT)  
Email: [jbodin@duluthairport.com](mailto:jbodin@duluthairport.com)

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



**Duluth Airport Authority**  
**DAA Operating ACH Payment Register #13-2023**  
**May 25, 2023**

**Confirmation #1440306**

Document Number	Date	Transaction Type	Payee	Amount
00000072/1	5/25/2023	BILLPMT	Acme Tools	\$599.00
00000072/10	5/25/2023	BILLPMT	Hermantown Hydraulics, LLC	\$487.39
00000072/11	5/25/2023	BILLPMT	Menards - Hermantown	\$105.98
00000072/12	5/25/2023	BILLPMT	Menards - Hermantown	\$35.45
00000072/13	5/25/2023	BILLPMT	Menards - Hermantown	\$67.43
00000072/14	5/25/2023	BILLPMT	Menards - Hermantown	\$156.24
00000072/15	5/25/2023	BILLPMT	Metro Sales, Inc.	\$258.12
00000072/16	5/25/2023	BILLPMT	Motion Industries, Inc.	\$1,414.07
00000072/17	5/25/2023	BILLPMT	Papko, Mark	\$59.79
00000072/18	5/25/2023	BILLPMT	Twin Ports Paper Supply, Inc	\$770.87
00000072/19	5/25/2023	BILLPMT	Viking Automatic Sprinkler	\$887.00
00000072/2	5/25/2023	BILLPMT	Airport Signs & Graphics	\$375.00
00000072/20	5/25/2023	BILLPMT	Viking Industrial Center	\$222.77
00000072/3	5/25/2023	BILLPMT	Barnum Companies, Inc.	\$3,542.66
00000072/4	5/25/2023	BILLPMT	Century Link	\$72.00
00000072/5	5/25/2023	BILLPMT	Century Link	\$72.00
00000072/6	5/25/2023	BILLPMT	Como Lube & Supplies	\$15.00
00000072/7	5/25/2023	BILLPMT	Guardian Pest Solutions	\$53.94
00000072/8	5/25/2023	BILLPMT	Guardian Pest Solutions	\$79.41
00000072/9	5/25/2023	BILLPMT	Guardian Pest Solutions	\$78.08
<b>Total</b>				<b>\$9,352.20</b>



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 Airport Director



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 City Treasury

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 Joelle Bodin  
 Finance Director

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 Tom Werner  
 Executive Director

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

**Signature:**   
Joelle Bodin (May 24, 2023 14:37 CDT)  
**Email:** jbodin@duluthairport.com

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

**Signature:**   
**Email:** makik@stlouiscountymn.gov

**Duluth Airport Authority**  
**DAA Operating ACH Payment Register #14-2023**  
**June 2, 2023**

**Confirmation #1520297**

Document Number	Date	Transaction Ty	Payee	Amount
00000073/1	6/2/2023	BILLPMT	American Association Of Airport Execut	\$275.00
00000073/10	6/2/2023	BILLPMT	Paul Bunyan Communications	\$3,410.00
00000073/11	6/2/2023	BILLPMT	SCS Interiors	\$855.00
00000073/12	6/2/2023	BILLPMT	Twin Ports Paper Supply, Inc	\$535.65
00000073/2	6/2/2023	BILLPMT	Anderson, Derek	\$136.00
00000073/3	6/2/2023	BILLPMT	Blueglobes LLC	\$1,741.30
00000073/4	6/2/2023	BILLPMT	Grainger, Inc.	\$118.03
00000073/5	6/2/2023	BILLPMT	Jamar Company	\$2,160.00
00000073/6	6/2/2023	BILLPMT	Kleen-Tech	\$20,909.00
00000073/7	6/2/2023	BILLPMT	Menards - Hermantown	\$15.96
00000073/8	6/2/2023	BILLPMT	Menards - Hermantown	\$30.38
00000073/9	6/2/2023	BILLPMT	Menards - Hermantown	\$51.21
<b>Total</b>				<b>\$30,237.53</b>

  
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 Airport Director

  
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 City Treasury

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

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

**Kimberly Maki**  
 \_\_\_\_\_  
 Board President

**Signature:**   
Joelle Bodin (Jun 2, 2023 09:20 CDT)  
**Email:** jbodin@duluthairport.com

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

**Signature:** *Kimberly Maki*  
Kimberly Maki (Jun 2, 2023 13:43 CDT)  
**Email:** makik@stlouiscountymn.gov



**Duluth Airport Authority**  
**DAA Construction ACH Payment Register #3-2023**  
**May 23, 2023**

**Confirmation #1420280**

Document Number	Date	Transaction Type	Payee	Amount
00000071/1	5/23/2023	BILLPMT	1 Civil Air Patrol Magazine	\$505.00
00000071/10	5/23/2023	BILLPMT	1 Short Elliott Hendrickson	\$6,215.00
00000071/2	5/23/2023	BILLPMT	1 Garver, LLC	\$3,000.00
00000071/3	5/23/2023	BILLPMT	1 Garver, LLC	\$3,000.00
00000071/4	5/23/2023	BILLPMT	1 Short Elliott Hendrickson	\$3,685.00
00000071/5	5/23/2023	BILLPMT	1 Short Elliott Hendrickson	\$65,560.00
00000071/6	5/23/2023	BILLPMT	1 Short Elliott Hendrickson	\$1,185.60
00000071/7	5/23/2023	BILLPMT	1 Short Elliott Hendrickson	\$63,260.00
00000071/8	5/23/2023	BILLPMT	1 Short Elliott Hendrickson	\$7,375.00
00000071/9	5/23/2023	BILLPMT	1 Short Elliott Hendrickson	\$16,700.00
<b>Total</b>				<b><u>\$170,485.60</u></b>

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

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

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

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

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

Signature: *Joelle Bodin*  
Joelle Bodin (May 23, 2023 09:09 CDT)

Email: jbodin@duluthairport.com

Signature: *Tom Werner*

Email: twerner@duluthairport.com

Signature: *Makiko Platin*

Email: makik@stlouiscountymn.gov

The image shows a large, faint grid or table structure, possibly a calendar or schedule, with multiple columns and rows. The text is too light to read accurately, but it appears to be a structured layout of information.

**Joelle Bodin**

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**From:** Don Monaco <donm@monacoairduluth.com>  
**Sent:** Thursday, June 1, 2023 7:56 AM  
**To:** Tom Werner; makik  
**Cc:** Bill King (skykingpilot@gmail.com); Dave Gaddie (dgaddie@bell.bank); ehansen; Greg Fox (gregandsheilafox@hotmail.com); Michael A. Magni; Pat Mullen (runtrailfree@gmail.com); Richard Stewart (RStewart@uwsuper.edu); 'Steve Overom (soverom@overomlaw.com)'; DAA  
**Subject:** May, 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 May 2023 Activities

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



BUSINESS

# FAA eyes locations for Duluth airport tower

Hermantown Hydraulics and Hydrosolutions of Duluth occupy the potential sites owned by the Duluth Airport Authority.



The Duluth International Airport gleams at dusk. Clint Austin / 2019 file / Duluth News Tribune



By **Brielle Bredsten**

Today at 6:00 AM

Share
News reporting

DULUTH —When the active duty Duluth Air Force Base downsized and eventually closed March 31, 1982, many of its old facilities were transitioned to the city and the Duluth Airport Authority.

Over time, the authority made use of the buildings, but didn't invest much into them, said Tom Werner, the executive director of the Duluth International Airport.



Tom Werner, the executive director of the Duluth International Airport. Adelle Bergstrom / 2019 file / Duluth News Tribune

Some of those facilities are now more than 50 years old. While the buildings are no longer worth maintaining, the sites are "prime for

redevelopment," according to Werner.

Additionally, Duluth International Airport's air traffic control tower is over 70 years old, making it the third-oldest in the country, according to the Federal Aviation Administration.

"That's not a distinction that we want to have," Werner said. "The tower is important to safety and commerce. With weather conditions being what they are in the Northland, having somebody in an air traffic control tower watching out for every pilot as they come and go is extremely advantageous."

Gary Meader / Duluth News Tribune

With 67,000 annual operations, Duluth International Airport generates \$760.6 million in economic impact every year and sustains over 6,200 direct, indirect and induced jobs.

"It's extremely important to the region's economy," Werner said.

Of the 133 airports in the state (excluding Minneapolis–St. Paul International Airport and its six reliever airports in the metro), Duluth International Airport makes up 76% of the out-state economic activity generated, Werner said.

Over the past seven years, the authority has spent over \$500,000 on the condemned tower, according to Director of Communication and Marketing Natalie Baker.

"It's beyond its useful life," Baker said. "The time for improvements is done. It needs replacing."

A two-year, \$1.5 million study called [Vision 2040](https://duluthairport.com/master-plan/) was conducted in 2019 to determine the next 20 years of development, maintenance and capital investment for the entire 3,300-acre airport campus.

Prior, a [public involvement plan](https://duluthairport.com/wp-content/uploads/2021/12/DLH-Master-Plan-Public-Involvement-Plan-PIP-August-2020.pdf) was developed to guide the approach to stakeholder and community engagement during the creation of the airport master plan.

The public and stakeholders were invited to partake in each stakeholder and technical advisory committee meeting, Werner

said, and regular updates are given at Duluth Airport Authority Board meetings held on the third Tuesday each month.

"The Technical Advisory Committee meeting that was focused on the tower helped inform the information that was sent to the FAA to determine the tower location," Werner said.

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#### ALSO READ



Of the seven locations that were evaluated, the FAA determined there are two sites on the airfield that are possible for a new air traffic control tower.

"There is a long and arduous list of criteria that go into that," Werner said.

Hermantown Hydraulics and Hydrosolutions of Duluth occupy these potential sites. Both private businesses are leasing from the Duluth Airport Authority. Each 3-acre site is situated midfield on the 2-mile-long runway.

Hydrosolutions of Duluth, located at 4845 Lackland St. Brielle Bredsten / Duluth News Tribune

[Hydrosolutions,\(https://hydrosolutionsofduluth.com/\)](https://hydrosolutionsofduluth.com/) 4845 Lackland St., employs 21 people. Founded in 2002, it specializes in water-jet cutting, metal forming, machining and assembling products for the aerospace, medical and architectural industries.

The authority has encouraged the potentially affected tenants to explore relocation options and ensure a succession plan is in place, Werner said.

The Duluth Economic Development Authority has reached out to both businesses, according to Chris Fleege, the city's director of planning and economic development.

Discussions have taken place with Hydrosolutions about potential relocation options in the Airpark and the Atlas industrial site, but Fleege said the company expressed a strong interest in remaining on the airport property, if possible.

"This is a true hardship. Being required to move is extremely difficult in this time of escalated land and building costs," Hydrosolutions President Dan Larson said, declining to comment further.

Hydrosolutions is working on a plant layout in the search for a building that would accommodate the business and allow for growth, according to [Enterprise Minnesota's](https://www.enterpriseminnesota.org/) business growth adviser, Jim Schottmuller.

Over the last year, Area Partnership for Economic Expansion staff worked with Hydrosolutions to identify existing industrial real estate across the Twin Ports, APEX President and CEO Rachel Johnson said.

Rachel Johnson. Contributed / APEX

The economic and business development organization coordinated tours and compiled facility prospects sourced from public and private real estate leaders, including the cities of Duluth and Superior, Development Association, Northland Connection, Duluth Seaway Port Authority and Greg Follmer Commercial Real Estate.

"However, the process has not been an easy one due to a lack of available industrial and warehousing real estate in the Twin Ports,

making industrial business attraction and local expansions extremely challenging," Johnson explained. "Homegrown companies like HydroSolutions have contributed millions to our economy and want to make their growth in our community efficient."

APEX and regional economic development leaders are trying to solve this challenge and are working on site readiness, Johnson said, targeting site development locations that can be made shovel-ready and available for situations like this.

"Large and exciting development projects that will help fill this void are coming down the pike, but it remains a tough situation for companies in need of new facilities yesterday," Johnson said.

The authority's preferred site for the new Federal Aviation Administration airport traffic control tower is the Hermantown Hydraulics current location, 4905 Airport Road in Hermantown, Werner said.

Hermantown Hydraulics offers sales and service of hydraulic equipment and parts.

Hermantown Hydraulics, located at 4905 Airport Road, is the preferred site of the Duluth International Airport's new air traffic control tower. Brielle Bredsten / Duluth News Tribune

In 2015, the authority signed a lease extension and implemented a short-term triple-net lease, Werner said.

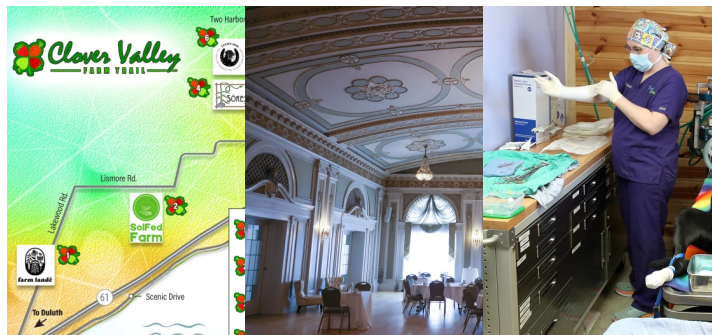
With a typical triple-net lease, the commercial tenant pays rent, and is also responsible for property expenses such as utilities, insurance, maintenance and taxes.

"It's a little less advantageous of us because we're not assuming a building that we know we don't want to save," Werner said. "The agreement acknowledges the Airport Authority is going to redevelop the space for aeronautical purposes and economical development. It puts the tenant on notice that while you're willing to stay here for a while, we'll give 180 days notice if and when they will need to vacate."



However, funding hasn't yet been approved, nor has the FAA chosen between the two sites — a decision Werner said is anticipated to solidify within the next year.

#### ALSO READ



The new tower will increase in height from 45 feet to 123 feet to allow for visibility of the entire airfield's airspace, as well as to the end of each of the airport's four runways.

"It's a critical piece of our safety here and we're excited about getting this project going and making sure it can support our growth for many years to come," Werner said.

The \$52 million project comes together with \$38 million in federal funding, \$14 million from the state and \$2 million from the Duluth Airport Authority.

The authority plans to apply for the FAA's [Airport Terminal Program](https://www.transportation.gov/rural/grant-toolkit/airport-terminals-program) — a \$5 billion, five-year federal grant supporting terminal modernization and restoration projects at non-hub and small, medium and large hub airports. The program is part of the Bipartisan Infrastructure Law. Awards are anticipated to be announced in March, Baker said.

State funding is being sought to match the federal grant opportunity.

Prior to implementation, the project must undergo additional analysis including environmental review through the National Environmental Policy Act, according to Vision 2040.

#### READ MORE FROM BRIELLE BREDSTEN

**Chester Park improvements to honor late Barry family** (<https://www.duluthnewstribune.com/news/local/chester-park-improvements-to-honor-late-barry-family>)

May 14, 2023 09:37 AM

<https://www.duluthnewstribune.com/news/local/chester-park->

# High-Flying Thrills

BY MOLLY MILROY

The Duluth Airshow, a spectacular event bringing community members and out-of-town visitors to the Twin Ports, showcases a variety of aircraft and appeals to all ages.

"I believe that there's no place better to spend a summer weekend than in Duluth and on air show weekend our hospitality industry partners roll out the red carpet for 50,000 of our friends and neighbors from throughout the region



who will join us for the show," said Ryan Kern, President of the Duluth Airshow.

This family-friendly event is the perfect way to unite the community and spend a summer afternoon. "Air shows are the epitome of family-friendly entertainment that can span generations. Grandparents, parents, children and grandchildren can all attend together as a family and experience the awe of airshows together. I think people are truly inspired," Kern said.

Duluth resident Chris Russ is a frequent attendee. "My favorite part is watching the stunt planes. Amazing the acrobatic show they put on. Top it off with the Blue Angels or Thunderbirds and your day is complete," Russ said.

Kern enjoys watching the planes as well. "I call it the 'magic of flight,'" he said. "I remember being a kid and watching airplanes fly with wonder and amazement. The evolution of airshows from when I was 10 years old at my first air show with my parents to now is incredible. The technology and the skill and precision of what humans can do leaves me speechless. There is also a sense of patriotism that is so ingrained in air shows that it makes me honored, proud and humbled to be an American and show my respect to the men and women who have served our great country."

## FAA AND MILITARY APPLICATIONS

To make the Duluth Airshow possible, Kern and his team at Kern and Kompany pull the July 15-16 weekend event off through long-term planning. "We begin planning each show 18 months in advance to ensure that we have all necessary elements coordinated and in place," Kern explains.

Many factors go into extensive planning. "There is a lot more than people imagine. The aircraft and the show itself are probably the smallest part of the show from a time investment standpoint," Kern said. "The logistical support, including hotel rooms, courtesy vehicles, community engagement, marketing, site layout, sponsorships/partnerships, volunteer coordination, safety, security, committee meetings,





*“I believe that there’s no place better to spend a summer weekend than in Duluth and on airshow weekend. Our hospitality industry partners roll out the red carpet for 50,000 of our friends and neighbors from throughout the region who will join us for the show.”*

– RYAN KERN, PRESIDENT OF THE DULUTH AIRSHOW

The U.S. Navy Flight Demonstration Squadron, the Blue Angels, diamond pilots, fly over Naval Air Facility (NAF) El Centro during a training flight.



(U.S. Navy photos by Chief Mass Communication Specialist Paul Archer)







Photos provided by Kern and Kompany



The applications are placed 16 to 18 months ahead of time and provide documentation demonstrating they can accommodate the needs and requirements of the DoD.

"Once approved by DoD, we are then up for consideration along with 400 other aviation events across the United States, Canada and Europe for ultimate selection," he said.

leadership meetings, deconfliction with the FAA, TSA and airport construction makes up the bulk of the hours."

Tom Werner, Duluth Airport Executive Director, agrees. "The air show is a joint effort between the Duluth Airport Authority and the Duluth Airshow. A vast amount of coordination between airport tenants, businesses and numerous regulatory agencies also occurs prior to the event. Our primary goal is to have a safe and secure air show for the performers and fans without impeding commercial air travel."

Obtaining FAA approval is critical to making the air show possible. "There is no show without gaining FAA approval," Kern said. "The FAA has a stringent approval process and we must provide very detailed plans not only for the air show but also for various contingencies before gaining their approval to host an air show."

Military demonstrations also require an application process and are not always guaranteed. "All military demonstrations teams are application-based through the Department of Defense (DoD)," Kern said.

Kern explained that through this rigorous process, they are never guaranteed a major military demonstration team each year. "From 2001-2015, we were only selected once every two to three years," Kern said. "Since 2016, we have been selected yearly, which means we must continuously demonstrate to the teams that we can meet and exceed the requirements outlined in their support manual while also supporting their individual, organizational missions."

The hard work and detailed planning certainly pay off. "In



***"The air show is a joint effort between the Duluth Airport Authority and the Duluth Airshow. A vast amount of coordination between airport tenants, businesses and numerous regulatory agencies also occurs prior to the event. Our primary goal is to have a safe and secure air show for the performers and fans without impeding commercial air travel."***

—TOM WERNER, DULUTH AIRPORT EXECUTIVE DIRECTOR



2023, we are one of only 34 shows selected to host the United States Navy Blue Angels," Kern said.

### **BENEFITTING DULUTH ECONOMY**

Support from the community and sponsors is vital to the Duluth Airshow's success. "Many of the air shows around the country are put on by traveling and/or sub-contracted groups of individuals who commute from city to city putting on an air show. At a show like that, you are going to see performances like we bring to Duluth, but what you don't see are those shows investing into those communities," Kern said. "You are going to see us living our lives right here in Duluth where we are invested in this community, and in turn, the community invests in this event. It's important to us that we represent, that we make the community proud."

The event not only brings the community together, it benefits it as well.

"Not only is it a major economic driver in the community, by bringing more people to our city, but it also allows the airport to showcase the investments and infrastructure that is leveraged every day," Werner said.

Although many acrobatic planes are taking to the sky during the weekend, the Duluth Airport can continue its daily operations.

"No commercial flights are impacted by the air show," Werner said. "Commercial flights are permitted to arrive and depart as normal throughout the airshow and the performance schedule is largely built around commercial flights."

### **FLYING HIGH PERFORMERS**

This year's air show will include 12 to 14 acts in the sky and more than 30 aircraft on the ground, including heavy aircraft like the C-5 and an aircraft, never seen in Duluth before, the KC-46. "One of the newest aircraft that we have not yet seen is the KC-46. It's



Photos provided by Kern and Kompany





replacing the KC-135, which is an air-to-air refueling aircraft," Kern said. "We are also hoping to see a Stearman bi-plane this year, which we have not had in about 10 years at the show. I'm also excited to see performer Kyle Fowler, who flies a unique aircraft with a pusher propeller in the rear of the aircraft, do aerobatics. It's a unique design."

Headlining the show will be the United States Navy Blue Angels, presented by Essentia Health. These jets fly as close as 18 inches to each other during the Diamond 360 maneuver, with the fastest speed reaching approximately 700 mph.

At this year's airshow, Duluth will make history.

"This is a special year for the team and us here in Duluth because the Blue Angels debut their first-ever female pilot on the team, who incidentally is from Minnesota," Kern said. "Lieutenant Amanda Lee also attended the University of Minnesota Duluth for a few years before she enlisted in the Navy, so this is a huge homecoming for her to come back to Duluth as she makes history."

Lieutenant Commander Julius Bratton joined the Blue Angels in 2019 and has enjoyed flying in Duluth at previous airshows. "It's impossible to deny the natural beauty of Duluth and Lake Superior. Second, to the natural beauty is the hospitality of the entire community. The entirety of Duluth welcomes us with open arms from



the moment we step out of our aircraft to the time we depart," he said. "It's a great feeling when you feel at home despite being away from home."

A variety of other planes and performers will be present as well. "The 2023 lineup also includes the United States Navy Leap Frogs Parachute Team, United States Air Force A-10 Demonstration Team, United States Air Force Heritage Flight, F-16s from the 148th FW, B-52 Fly Over, United States Air

Force KC-135/C-17 Demo Team, Aftershock Jet Truck, Kyle Fowler, Britt Lincoln, Craig Gifford and a plethora of World War II fighters and bombers," Kern said.

### VOLUNTEERS AND BRINGING THE COMMUNITY TOGETHER

Many volunteers make up the needed hands to make the event successful. "It takes about 500 volunteers a day, so 1,000 over the weekend to safely put on the show and these volunteers can fundraise for their group," Kern said.

The Duluth Airshow's Volunteer Protected Group Fund (PGF) is a portion of event proceeds set aside and distributed to our volunteers.

"The Duluth Airshow is a non-profit event and one of our goals in the community is to be able to strengthen Duluth and our surrounding areas through the event. We do this by offering local organizations, clubs, nonprofits and community groups the opportunity to provide manpower or volunteers at the show in exchange for a financial donation to their organization," he said. "This can be the Kiwanis



Lindsey Kern

Kern and Kompany is a Duluth-based business bringing the community a world-class air show. "You are going to see us living our lives right here in Duluth where we are invested in this community, and in turn, the community invests in this event. It's important to us that we make the community proud."



Ryan Kern and daughter Pajsley





U.S. NAVY PHOTO - LARRY GRACE

Club, the Boy Scouts, a youth baseball team, a dance group, a church group, a school organization; the list goes on and on."

For groups interested in volunteering and raising funds, visit the Duluth Airshow website. "We have a great video on our website that talks about this and I'd encourage anyone interested to visit the website and learn more about the PGF and how you can earn monies for your organization," Kern said.

### AIR SHOW ESSENTIALS

The gates to the air show are open from 9 a.m. to 6 p.m., with flying taking place between 11 a.m. and 4:30 p.m.

"The Duluth Airshow grounds cover a space over half a mile long and we fill it up with entertainment for the first-time airshow goer up to the most hardcore aviation enthusiasts," Kern said.

When attending the air show, there are various factors to consider to make the experience more enjoyable. "Prepare for the Duluth

Airshow the way you would for the State Fair or an event at Target Field: dress in layers, give yourself lots of lead time and enjoy the flying, the static displays, the fair-style food options and the educational and entertainment vendors," Kern said.

Plan time for event traffic and parking and wear comfortable shoes and sunscreen. "Wear sunscreen and reapply often," Kern said. "By design, shade is scarce at the Duluth Airshow to maximize the amazing views of the aircraft, but sunscreen is definitely a must when you are planning to spend the day under the open sky."

Sunglasses, specifically aviators, would prove beneficial as well.

Ear protection is also needed and complimentary earplugs from presenting partner Essentia Health are available to guests. Over-the-ear protection for children is recommended.

"Some of the aircraft flying at the show will be loud, really, really loud," Kern said. "The announcer does a great job of letting the crowd know when ear protection is needed ahead of time, so no one will need to wear earplugs all day, but this is a must-have item."

A folding chair is another essential item needed at the airshow. "Unless you have purchased a Presidential Chalet or Flight Line ticket in advance, you will need to bring your own seat," Kern said. "The air show is different



PHOTOS PROVIDED BY KERN AND KOMPANY





Photos provided by Kern and Kompany

## Last call for enhanced lighting rebates!

Minnesota Power offers **enhanced** rebates on qualifying light fixtures for business and commercial customers through the end of 2023.

- High Bays
- Exterior Lighting
- LED Flat Panels



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23007





## LIEUTENANT COMMANDER JULIUS BRATTON

- From Woodlawn, Tennessee.
- Joined the Blue Angels in September 2019.
- Accumulated more than 2,500 flight hours.
- 207 carrier arrested landings.
- Received a Strike Flight Air Medal, three Navy and Marine Corps Achievement Medals and other unit and personal awards.

"I really enjoyed jogs along the lakefront and how the length of the day is a bit longer up north in Minnesota. I recall the weather being perfectly temperate and the view being gorgeous as the small waves crashed on the rocks along the shore. I certainly plan to spend a little time out there again this year!"

than an outdoor concert where a blanket might work; you will definitely want a chair for this event because the pavement can get hot and uncomfortable. All general admission ticket holders should plan to bring their own chair."


### A WEEKEND OF FUN

"The Duluth Airshow highlights the important role that aviation plays in our community, ignites excitement in the next generation of aviators, celebrates the men and women of the armed forces past and present and has an economic impact that pumps dollars into our local economy," Kern said.

As he looks to the future, Kern hopes the airshow continues annually.

"Creating a yearly model for a world-class air show, which just happens to be in Duluth, Minnesota, is a labor of love and is defined by hard work not only by myself but by the 35 leadership team members, 100 committee members and the more than 1,000 volunteers who give of their time and talents," Kern said.

Bring a family member or friend and enjoy a weekend of high-flying thrills. "My favorite part of the show is bringing my children and experiencing the magic of flight together," Kern said. "Creating family memories not only for my family but also our extended air show family of leadership and committee members. The friendships that are made and those I've surrounded myself with are truly amazing people. My passion for the Duluth Airshow continues to burn and I enjoy it more today than ever."

For tickets, to volunteer, or to learn more about the Duluth Airshow, visit [www.duluthairshow.com](http://www.duluthairshow.com). 

Molly Milroy is a Duluth-based freelance writer.



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## Construction Newsletter

### Duluth International Airport (DLH)

Weekly Update - Friday, May 18, 2023

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#### **Taxiway A - Phase 4 (SRE Ramp) and Midfield Ramp Reconstruction**

Reconstruction of Taxiway A Phase 4 and the Midfield Ramp Repair project began this week. Throughout this week, work in both areas has focused on pavement removal, subgrade excavation, removal of old storm sewer, installation of new storm sewer and the placement of electrical manholes.

An updated Construction Safety Phasing Plan was published and can be [viewed online \[PDF\]](#).

#### **Next Week**

The contractor will continue to work on subgrade excavation, storm sewer placement and various electrical items.

#### **Anticipated Project Schedule - Subject to change**

- Taxiway A Phase 4 and Midfield Ramp Repairs: May 15th - July 13th





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## Vehicle Service Road (VSR) / Perimeter Road Updates

The Vehicle Service Road (VSR), or perimeter road, will be closed in the construction area of Phase 4 for the duration of Phase 4 and Midfield Ramp Repair projects. Due to the closure, a detour is in place that requires you to leave the secure area. Airfield access will be provided through Monaco and South SRE Gates and signs will be posted to indicate the direction of the detour. Use extra caution around the SRE Building, as construction vehicles will also be operating in this area. A map and additional vehicle service road detour information can be found [here \[PDF\]](#).

For temporary gate access, contact Security Manager Matt Snell at 218-625-7772.

---

## Taxiway A - Phase 2A and 2B Reconstruction

can be found [here](#). Phase 2B, which includes seven (7) nightly closures and one (1) 60-hour closure of Runway 9/27, has not been scheduled yet. Once a date has been confirmed by the contractor additional communication will be shared with stakeholders.

### **Anticipated Project Schedule - Subject to change**

- Taxiway A Phase 2 - July 17th to September 30th

---

*Please note, these dates are subject to change. Airfield [NOTAMs](#) should be checked to confirm the current status of the airfield.*

### Project Contact Information

Mark Papko, Director of Operations - Airport Authority - [mpapko@duluthairport.com](mailto:mpapko@duluthairport.com)

Adinda Van Espen, Project Manager - SEH - [avanespen@sehinc.com](mailto:avanespen@sehinc.com)

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### Ph4 PHASE INFORMATION



MAY 1 TO JULY 13

Phase 4 includes expanding the SRE Apron east of the Midfield Ramp and west of the Monaco Ramp. Concurrently with Phase 4, the Midfield Ramp Repair work will be performed.

Work elements will include:

- 1 Installation of new SRE Apron edge lighting
- 2 Painting of pavement markings and tiedown markings
- 3 Minor grading in areas surround SRE Apron construction
- 4 Installation of new apron signage
- 5 Repair of the Midfield Ramp (**Concurrently with Phase 4**)
- 6 Construct SRE Apron
- 7 Installation of storm drain pipes, structures, and underdrain



### CONSTRUCTION SAFETY CONSIDERATIONS

- 8 When work is taking place inside the Taxiway Safety Area of Taxiway A, construction work shall yield and retreat to aircraft using the taxiway
- 9 Access shall be maintained for DAA Maintenance Building for construction duration (unrestricted access)



### CLOSURES

- 10 Portions Midfield Ramp
- 11 Vehicle Service Road (VSR) will be impacted during construction. The VSR will be detoured using the south SRE gate, Airport Approach Road, and the Monaco Gate.



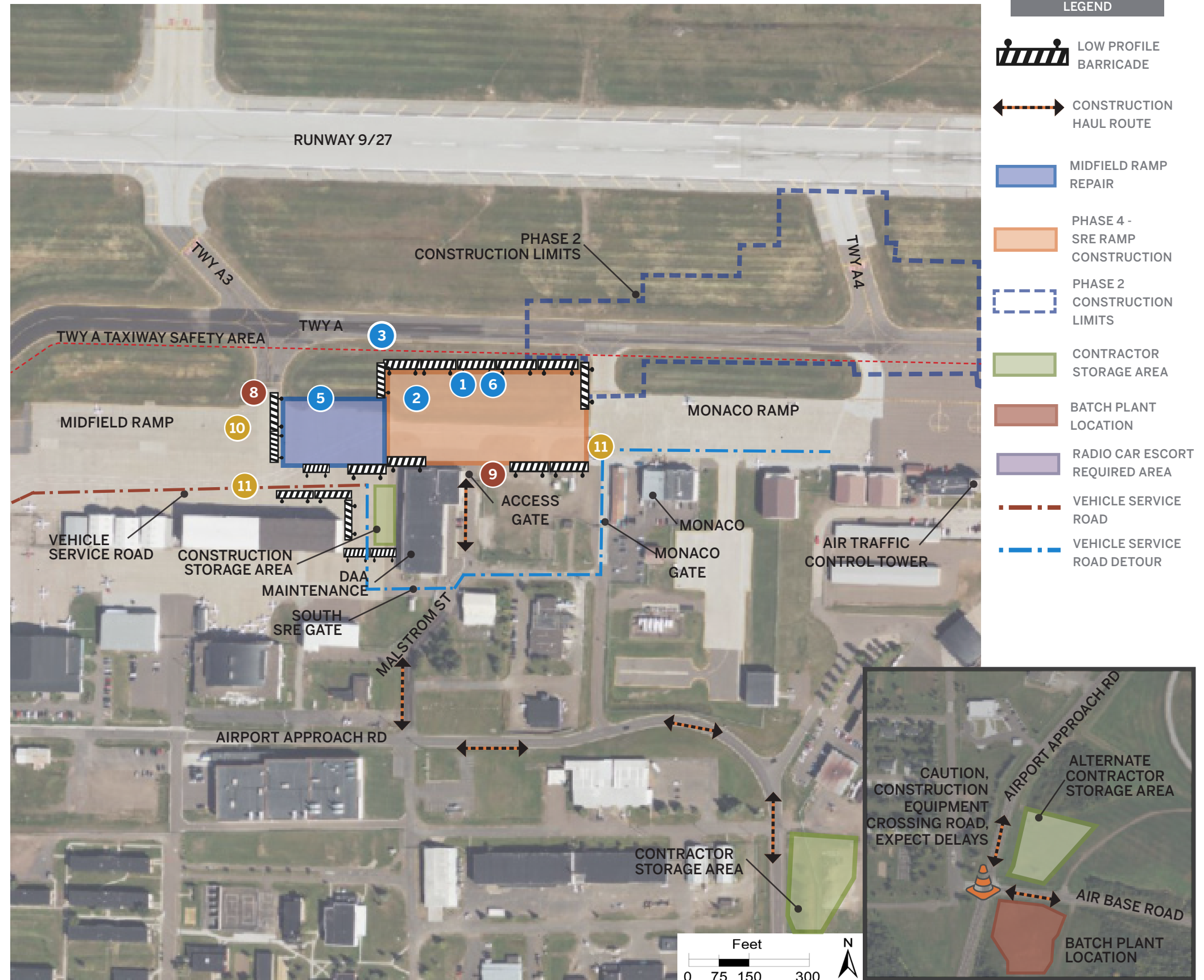
### AVAILABLE AIRFIELD

- 12 Runways 9/27 & 3/21 full length
- 13 Terminal, Monaco, and Tower ramps
- 14 Terminal, hangars, and miscellaneous facilities will be accessible
- 15 Phase 4 & Midfield Ramp areas shall be completed and open to vehicle traffic prior to the Air Show (July 14th - 17th)



### INSTRUMENT APPROACH PROCEDURE IMPACTS (IAP)

- 16 The ANG TACAN will be impacted with the existing duct bank is removed. There will be a 24-hour cutover period for the MnPower cables that power the NAVAIDs



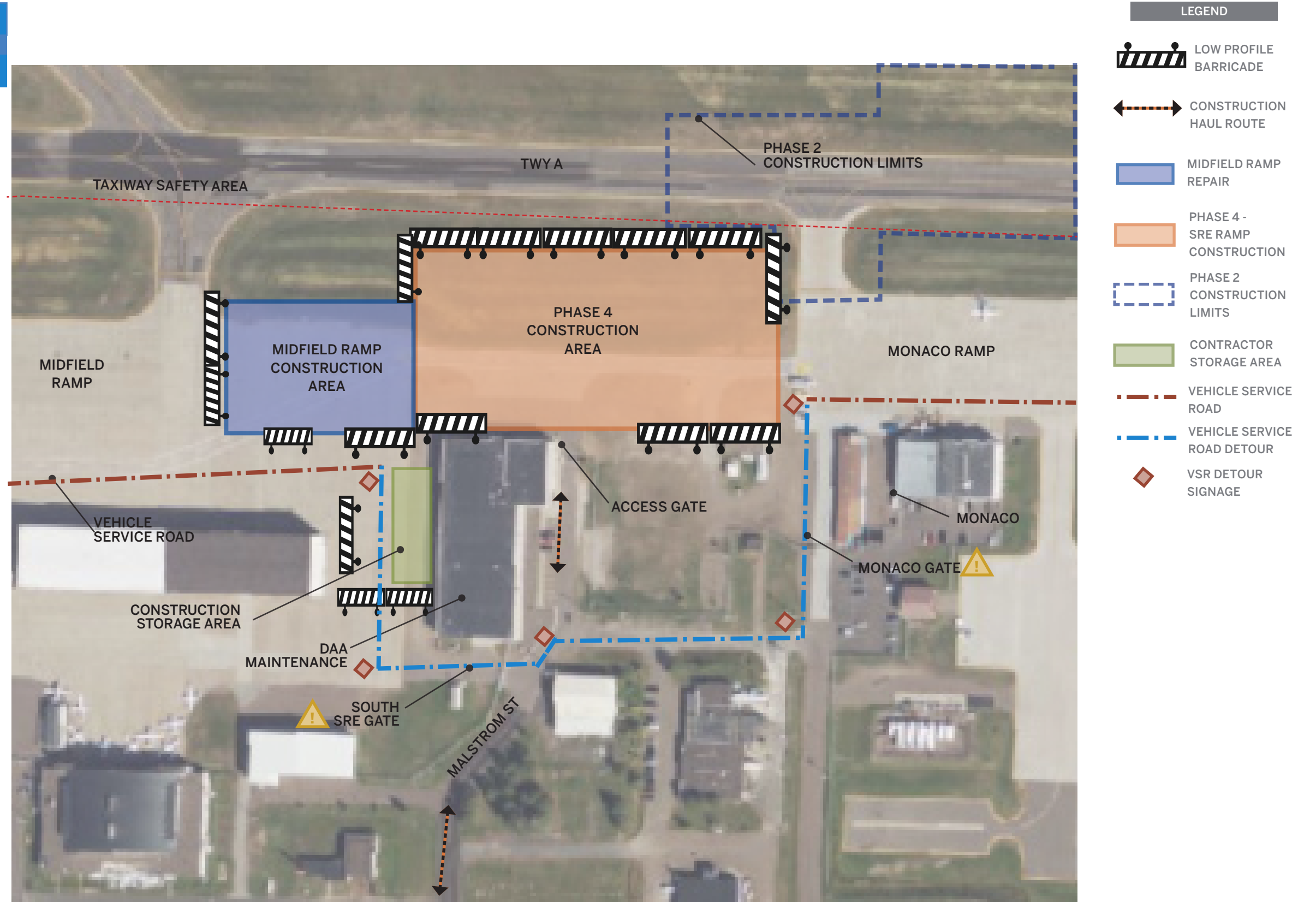
**Ph4 DETOUR INFORMATION**

**MAY 1 TO JULY 13**

Vehicle Service Road (VSR) / Perimeter Road will be unavailable through the Phase 4 construction area during construction. The road will be detoured around the construction site for the Phase 4 project duration.

Gate access will be required to access gates and complete the required detour. Contact Security Manager Matt Snell at 218-625-7772 for temporary gate access.

 Gate Access Required





## Construction Newsletter

### Duluth International Airport (DLH)

Weekly Update - Friday, May 26, 2023

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#### **Taxiway A - Phase 4 (SRE Ramp) and Midfield Ramp Reconstruction**

Taxiway A Phase 4 Reconstruction and the Midfield Ramp Repair projects are underway. Throughout this week, work in both areas has focused on subgrade excavation, removal of the old storm sewer, installation of new storm sewer, and the placement of electrical duct banks.

#### **Next Week**

Next week the contractor will continue to work on subgrade excavation, storm sewer placement, subbase placement, and various electrical items.

#### **Anticipated Project Schedule - Subject to change**

- Taxiway A Phase 4 and Midfield Ramp Repairs: May 15th - July 13th





### **\*\*MONACO RAMP ACCESS CLOSURE\*\***

The west Monaco Ramp Access point is expected to be closed June 1 and June 2 to allow the contractor to safely install new storm sewer structures and pipe.

### **Vehicle Service Road (VSR) / Perimeter Road**

The Vehicle Service Road (VSR), or perimeter road, will be closed in the construction area of Phase 4 for the duration of Phase 4 and Midfield Ramp Repair projects. Due to the closure, a detour is in place that requires you to leave the secure area. Airfield access will be provided through Monaco and South SRE Gates and signs will be posted to indicate the direction of the detour. Use extra caution around the SRE Building, as construction vehicles will also be operating in this area. A map and additional vehicle service road detour information can be found [here \[PDF\]](#).



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## Taxiway A - Phase 2A and 2B Reconstruction

The Taxiway A Phase 2 reconstruction project is anticipated to begin following the Airshow on July 17th. The Construction Safety Phasing Plan (CSPP) for the project can be found [here](#). Phase 2B, which includes seven (7) nightly closures and one (1) 60-hour closure of Runway 9/27, has not been scheduled yet. Once a date has been confirmed by the contractor additional communication will be shared with stakeholders.

### Anticipated Project Schedule - Subject to change

- Taxiway A Phase 2 - July 17th to September 30th

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*Please note, these dates are subject to change. Airfield [NOTAMs](#) should be checked to confirm the current status of the airfield.*

### Project Contact Information

Mark Papko, Director of Operations - Airport Authority - [mpapko@duluthairport.com](mailto:mpapko@duluthairport.com)

Adinda Van Espen, Project Manager - SEH - [avanespen@sehinc.com](mailto:avanespen@sehinc.com)

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## Construction Newsletter

### Duluth International Airport (DLH)

Weekly Update - June 02, 2023

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#### **Taxiway A - Phase 4 (SRE Ramp) and Midfield Ramp Reconstruction**

Work in both areas continued to focus on subgrade excavation, removal of the old storm sewer, installation of the new storm sewer system and the placement of sand. The western Monaco Ramp connector was briefly closed to install new storm sewer structures and pipes; this work has been completed and the connector has been reopened.

#### **Next Week**

The contractor will finish the placement of sand and storm sewer and will begin to place the aggregate base. They will continue to work on various electrical items as well.

#### **Anticipated Project Schedule - Subject to change**

- Taxiway A Phase 4 and Midfield Ramp Repairs: May 15th - July 13th



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## Vehicle Service Road (VSR) / Perimeter Road

The Vehicle Service Road (VSR), or perimeter road, is closed in the construction area of Phase 4 for the remainder of Phase 4 and Midfield Ramp Repair projects. Due to the closure, a detour is in place that requires you to leave the secure area. Airfield access will be provided through Monaco and South SRE Gates and signs will be posted to indicate the direction of the detour. Use extra caution around the SRE Building, as construction vehicles will also be operating in this area. A map and additional vehicle service road detour information can be found [here \[PDF\]](#).

For temporary gate access, contact Security Manager Matt Snell at 218-625-7772.

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## Miscellaneous Taxiway Repair Work



These pavement repairs will consist of milling pavement in poor condition and overlaying it with new pavement.

It is anticipated the areas shown in the figure below will be impacted for up to two days. The contractor is intending to perform the Taxiway A work on Wednesday and Thursday next week (6/7 and 6/8). Taxiway C, north of Runway 9/27, work dates have not been identified by the contractor yet.



### Taxiway A - Phase 2A and 2B Reconstruction

The Taxiway A Phase 2 reconstruction project is anticipated to begin following the Airshow on July 17th. The Construction Safety Phasing Plan (CSPP) for the project can be found [here](#). Phase 2B, which includes seven (7) nightly closures and one (1) 60-hour closure of Runway 9/27, has not been scheduled yet. Once a date has been confirmed by the contractor additional communication will be shared with stakeholders.

### Anticipated Project Schedule - Subject to change

- Taxiway A Phase 2 - July 17th to September 30th

### Aviation Related Impacts from Selected New Air Traffic Control Tower Site

The Duluth Airport Authority (DAA) would like to inform its tenants and users of the permanent instrument approach procedure impacts that result from building a new 153' tall Air Traffic Control Tower. The letter outlining these impacts can be [found online \[PDF\]](#).

Please note, dates and planned construction related activities are subject to change.

Airfield [NOTAMS](#) should be checked to confirm the current status of the airfield.

## Project Contact Information

Mark Papko, Director of Operations - Airport Authority - [mpapko@duluthairport.com](mailto:mpapko@duluthairport.com)

Adinda Van Espen, Project Manager - SEH - [avanespen@sehinc.com](mailto:avanespen@sehinc.com)

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# Construction Newsletter

## Duluth International Airport (DLH)

Weekly Update - June 09, 2023

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### **Taxiway A - Phase 4 (SRE Ramp) and Midfield Ramp Reconstruction**

This past week, project work focused on aggregate base placement in preparation for bituminous paving around the SRE ramp and the Midfield Ramp.

### **Next Week**

The contractor will start bituminous paving early next week. Concrete paving is expected to begin towards the end of the week.

### **Anticipated Project Schedule - Subject to change**

- Taxiway A Phase 4 (SRE Ramp) and Midfield Ramp Reconstruction: May 15 to July 13



## Vehicle Service Road (VSR) / Perimeter Road

The Vehicle Service Road (VSR), or perimeter road, is closed in the construction area of Phase 4 for the remainder of Phase 4 and Midfield Ramp Repair projects. Due to the closure, a detour is in place that requires you to leave the secure area. The Monaco and South SRE gates provide airfield access – posted signs indicate the direction of the detour. Use extra caution around the SRE Building, as construction vehicles operate in this area. A map and additional vehicle service road detour information can be found [here \[PDF\]](#).

For temporary gate access, contact DAA Security Manager Matt Snell at 218-625-7772.



expected to be complete by the end of the day today (6/9). Pavement repair of Taxiway C, north of Runway 9/27, is planned for this summer. The work dates for the mill and overlay of this area of Taxiway C have not been identified by the contractor.



## Taxiway A - Phase 2A and 2B Reconstruction

The Taxiway A Phase 2 reconstruction project is anticipated to begin following the Airshow on July 17th. The Construction Safety Phasing Plan (CSPP) for the project can be found [here](#). The dates for Phase 2B, which includes several night closures and one (1) 60-hour closure of Runway 9/27, have not yet been determined. Once a date has been confirmed by the contractor, additional communication will be shared with stakeholders.

### Anticipated Project Schedule - Subject to change

- Taxiway A Phase 2: July 17 to September 30

*Please note, dates and planned construction related activities are subject to change. Airfield **NOTAMS** should be checked to confirm the current status of the airfield.*

## Project Contact Information

Mark Papko, Director of Operations - Airport Authority - [mpapko@duluthairport.com](mailto:mpapko@duluthairport.com)

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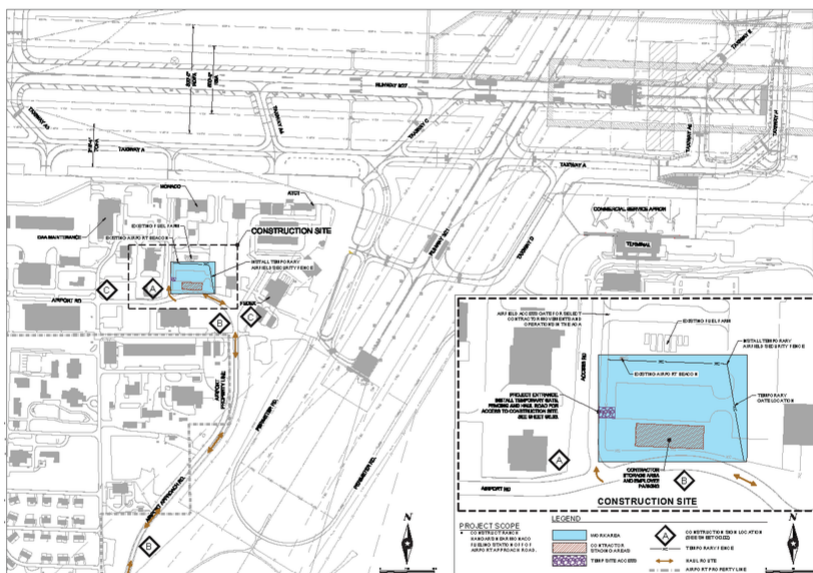


**Project Background**

Construction of a new 11,250 sqft 5 bay Ranch Hangar, near Monaco fuel farm, off of Airport Approach Rd.

**Project Schedule**

Start Date: June 19th, 2023  
Completion Date: November 28th, 2023



**CONSTRUCTION IMPACT**

Be alert for construction traffic entering and leaving construction site.

**FUNDING**

Project is primarily funded by the FAA, and Duluth Airport Authority.

**CONTACT**

Duluth Airport Authority:	SEH (Engineer):
<b>Jana Kayser</b>	<b>Shawn McMahon</b>
218.625.7775	651.925.7541

Kraus-Anderson Construction (Contractor):  
**Dustin Wick**  
218.348.1983



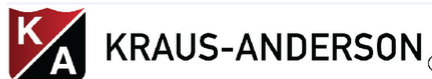
**CONSTRUCTION ALERT**

"Safety First"

Job Site: DAA Ranch Hangar

Name of Alert: Construction Project Start-up

Alert # 1 Date Issued: 6/12/2023



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**Tom Werner**

---

**From:** Tom Werner  
**Sent:** Thursday, June 1, 2023 10:07 AM  
**To:** Alicia Kozlowski  
**Cc:** Jeff Anderson  
**Subject:** Duluth International Airport Air (DLH) Traffic Control Tower Project Update

Good Morning Representative Kozlowski,

Thank you for your tireless work on behalf of our region this past session! I wanted to give you a post-session update on DLH's air traffic control tower (ATCT) project.

While we are disappointed that our \$14M bond request was ultimately not included in the final capital investment bill, we are not deterred. It is true that securing some/all of the \$14M requested this past session would have positioned us well to compete for a 95% federal match through the Investment in Infrastructure and Jobs Act (IIJA) grant funding. That said, we press on. My team and I are preparing for two lines of efforts:

1. Submit our \$14M request to MMB by June 16<sup>th</sup>, for inclusion in next session's project list. This includes requesting a visit by the House and Senate Capital Investment committees when they tour this part of the state later this year.
2. Submit a \$38M Airport Terminal Program (ATP) grant application, through the FAA, later this year. This includes one more visit with our Congressional Delegation in Washington D.C. in July to advocate for the project with other community leaders.

I toured the current ATCT last week and the urgency of our funding requests remains. The current ATCT is at the end of its useful life with many deficiencies that hinder efficient air traffic control services for our growing aviation cluster. An architecture firm has been selected to continue design of the new ATCT (preliminary design was completed with the environmental assessment). We must remain on schedule with the design process in order to comply with the compressed timeline required to bring the project to bid once the federal grant is awarded in accordance with ATP rules. The \$14M would've relieved some financial pressure off of the DAA during the design process but we must now carry much of the financial burden until the ATP grant is awarded by Q1 of 2024.

If you would like to tour the facility this summer, please let me know. We will be joined by our FAA Tower Chief, Amy Sedin who can talk about the good work our air traffic controllers do every day.

In the meantime, please let me know if you have questions. Thank you again for your support of this critical infrastructure project.

Best,

Tom

Tom Werner, C.M.  
 Executive Director  
 218.727.2968 - *Scheduling*  
 218.625.7766 - *Direct*





## Tom Werner

---

**From:** Tom Werner  
**Sent:** Thursday, June 1, 2023 10:09 AM  
**To:** Jennifer McEwen  
**Cc:** Jeff Anderson  
**Subject:** Duluth International Airport Air (DLH) Traffic Control Tower Project Update

Good Morning Senator McEwen,

Thank you for your tireless work on behalf of our region this past session! I wanted to give you a post-session update on DLH's air traffic control tower (ATCT) project.

While we are disappointed that our \$14M bond request was ultimately not included in the final capital investment bill, we are not deterred. It is true that securing some/all of the \$14M requested this past session would have positioned us well to compete for a 95% federal match through the Investment in Infrastructure and Jobs Act (IIJA) grant funding. That said, we press on. My team and I are preparing for two lines of efforts:

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In the meantime, please let me know if you have questions. Thank you again for your support of this critical infrastructure project.

Best,

Tom

Tom Werner, C.M.  
Executive Director  
218.727.2968 - *Scheduling*  
218.625.7766 - *Direct*



## Tom Werner

---

**From:** Tom Werner  
**Sent:** Thursday, June 1, 2023 10:10 AM  
**To:** Liz Olson  
**Cc:** Jeff Anderson  
**Subject:** Duluth International Airport Air (DLH) Traffic Control Tower Project Update

Good Morning Representative Olson,

Thank you for your tireless work on behalf of our region this past session! I wanted to give you a post-session update on DLH's air traffic control tower (ATCT) project.

While we are disappointed that our \$14M bond request was ultimately not included in the final capital investment bill, we are not deterred. It is true that securing some/all of the \$14M requested this past session would have positioned us well to compete for a 95% federal match through the Investment in Infrastructure and Jobs Act (IIJA) grant funding. That said, we press on. My team and I are preparing for two lines of efforts:

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Best,

Tom

Tom Werner, C.M.  
Executive Director  
218.727.2968 - *Scheduling*  
218.625.7766 - *Direct*





## Tom Werner

---

**From:** Tom Werner  
**Sent:** Thursday, June 1, 2023 10:11 AM  
**To:** Grant Hauschild  
**Cc:** Jeff Anderson  
**Subject:** Duluth International Airport Air (DLH) Traffic Control Tower Project Update

Good Morning Senator Hauschild,

Thank you for your tireless work on behalf of our region this past session! I wanted to give you a post-session update on DLH's air traffic control tower (ATCT) project.

While we are disappointed that our \$14M bond request was ultimately not included in the final capital investment bill, we are not deterred. It is true that securing some/all of the \$14M requested this past session would have positioned us well to compete for a 95% federal match through the Investment in Infrastructure and Jobs Act (IIJA) grant funding. That said, we press on. My team and I are preparing for two lines of efforts:

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Best,

Tom

Tom Werner, C.M.  
Executive Director  
218.727.2968 - *Scheduling*  
218.625.7766 - *Direct*



## Tom Werner

---

**From:** Tom Werner  
**Sent:** Thursday, June 1, 2023 10:15 AM  
**To:** Natalie Zeleznikar  
**Cc:** Jeff Anderson  
**Subject:** Duluth International Airport Air (DLH) Traffic Control Tower Project Update

Good Morning Representative Zeleznikar,

Thank you for your tireless work on behalf of our region this past session! I wanted to give you a post-session update on DLH's air traffic control tower (ATCT) project.

While we are disappointed that our \$14M bond request was ultimately not included in the final capital investment bill, we are not deterred. It is true that securing some/all of the \$14M requested this past session would have positioned us well to compete for a 95% federal match through the Investment in Infrastructure and Jobs Act (IIJA) grant funding. That said, we press on. My team and I are preparing for two lines of efforts:

1. Submit our \$14M request to MMB by June 16<sup>th</sup>, for inclusion in next session's project list. This includes requesting a visit by the House and Senate Capital Investment committees when they tour this part of the state later this year.
2. Submit a \$38M Airport Terminal Program (ATP) grant application, through the FAA, later this year. This includes one more visit with our Congressional Delegation in Washington D.C. in July to advocate for the project with other community leaders.

I toured the current ATCT last week and the urgency of our funding requests remains. The current ATCT is at the end of its useful life with many deficiencies that hinder efficient air traffic control services for our growing aviation cluster. An architecture firm has been selected to continue design of the new ATCT (preliminary design was completed with the environmental assessment). We must remain on schedule with the design process in order to comply with the compressed timeline required to bring the project to bid once the federal grant is awarded in accordance with ATP rules. The \$14M would've relieved some financial pressure off of the DAA during the design process but we must now carry much of the financial burden until the ATP grant is awarded by Q1 of 2024.

If you would like to tour the facility this summer, please let me know. We will be joined by our FAA Tower Chief, Amy Sedin who can talk about the good work our air traffic controllers do every day.

In the meantime, please let me know if you have questions. Thank you again for your support of this critical infrastructure project.

Best,

Tom

Tom Werner, C.M.  
Executive Director  
218.727.2968 - *Scheduling*  
218.625.7766 - *Direct*



**DULUTH AIRPORT AUTHORITY**  
4701 GRINDEN DRIVE • DULUTH INTERNATIONAL AIRPORT • DULUTH, MINNESOTA

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IV - H

**DULUTH INTERNATIONAL AIRPORT**

## **Notification of Aviation Related Impacts to the Construction of the Proposed New Air Traffic Control Tower at Site #6**

The Duluth Airport Authority (DAA) in partnership with the Federal Aviation Administration (FAA) is nearing the completion of an Air Traffic Control Tower (ATCT) Siting Study. This study will determine the building location of the future new Air Traffic Control Tower. Part of the study's finalization is for the DAA to inform its Tenants, Users, and Stakeholders of the permanent impacts the building of a new 153' tall Tower will have on the existing airfield approach and departure paths.

No hazards were identified in the Safety Risk Management (SRM) Document prepared for this proposed action.

In December 2022, the FAA conducted an aeronautical review of the proposed structure (ASN 2022-AGL-12999-NRA, ASN 2022-AGL-13000-NRA, ASN 2022-AGL-13001-NRA, and ASN 2022-AGL-13002-NRA).

The Flight Procedures Office determined that the proposed ATCT would have the following impacts on Instrument Flight Rules (IFR) operations: IFR EFFECT-Duluth, MN Duluth Intl (DLH):

- ASR RADAR-1 RWY 3 MDA/HAT from 1820/400 to 1840/420 (NEH 1568 AMSL)
- RNAV (GPS) RWY 3 LNAV MDA/HAT from 1820/400 to 1840/420 (NEH 1550 AMSL)
- VOR or TACAN RWY 3 MDA/HAT from 1820/400 to 1840/420 (NEH 1570 AMSL)



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- The final design of the ATCT and base building will have to be evaluated for any impacts to the Runway 09 CAT II Localizer.

Please reach out to [Mark Papko](#) if you have any questions or concerns.

**Duluth International Airport**

**4701 Grinden Drive  
Duluth, Minnesota  
55811**

**phone: (218)-727-2968  
fax: (218) 727-2960**

**DAA@duluthairport.com  
duluthairport.com**

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*U.S. Department of  
Transportation  
Federal Aviation  
Administration*

Tom Werner  
Executive Director  
Duluth Airport Authority  
Duluth International Airport  
4701 Grinden Drive  
Duluth, MN 55811

Dear Mr. Werner:

This letter is in reference to the findings regarding the proposed Airport Traffic Control Tower (ATCT)/Terminal Radar Approach Control (TRACON) development project at the Duluth International Airport (DLH) in Duluth, MN. As agreed during the recent tower-siting efforts at the Federal Aviation Administration (FAA) Airport Facilities Terminal Integration Laboratory (AFTIL), I am providing your office with a list of impacts to DLH if the proposed ATCT is located at **Site 6**, which was selected as the preferred site.

### **Section 1. Siting Requirements**

Item 1: The location of the center of the ATCT within Site 6 (geodetic datum NAD-83):

- Latitude 46° 50' 15.39" N
- Longitude 92° 11' 47.56" W

Item 2: The overall ATCT height must not exceed 1577' AMSL (153' AGL).

Item 3: The Air Traffic Control Specialist (ATCS) eye height used is 1548' AMSL (124' AGL).

Item 4: Visibility of all movement areas and non-movement areas, look-down, -up, and -across angles, sunrise, sunset, fog, snow, rain, ramp lighting, glare, existing obstructions around the airport and other issues that can adversely affect the ATCS' sight have been considered for the ATCT location.

Item 5: A preliminary plot of land to be used (i.e., the proposed Site 6) has been agreed to by the FAA and the Airport Sponsor. The Airport Sponsor must coordinate with current lease holders and users regarding the availability of the proposed tower location to ensure the tower-siting plans do not conflict with airport development plans. The Airport Sponsor must develop a conceptual layout for the preferred site and submit to the FAA for concurrence. The final layout will be determined during the design phase of the project.

## Section 2. Identified Aviation Related Impacts

No hazards were identified in the Safety Risk Management (SRM) Document prepared for this proposed action.

In December 2022, the FAA conducted an aeronautical review of the proposed structure (ASN 2022-AGL-12999-NRA, ASN 2022-AGL-13000-NRA, ASN 2022-AGL-13001-NRA, and ASN 2022-AGL-13002-NRA). The Flight Procedures Office determined that the proposed ATCT would have the following impacts on Instrument Flight Rules (IFR) operations: IFR EFFECT-Duluth, MN Duluth Intl (DLH):

- ASR RADAR-1 RWY 3 MDA/HAT from 1820/400 to 1840/420 (NEH 1568 AMSL)
- RNAV (GPS) RWY 3 LNAV MDA/HAT from 1820/400 to 1840/420 (NEH 1550 AMSL)
- VOR or TACAN RWY 3 MDA/HAT from 1820/400 to 1840/420 (NEH 1570 AMSL)
- Structure must be lighted with red obstruction lights in accordance with FAA Advisory Circular 70/7460-1
- The final design of the ATCT and base building will have to be evaluated for any impacts to the Runway 09 CAT II Localizer.

## Section 3. Environmental Impacts, Considerations and Actions

- A Phase I Environmental Site Assessment (ESA) of Preferred Site 6 performed by the FAA in January 2023 identified Recognized Environmental Conditions (RECs).
- The Duluth Airport Authority must complete a Phase II ESA.
- The Duluth Airport Authority must remediate the site to the satisfaction of the Minnesota Pollution Control Agency (MPCA) and obtain a letter of No Further Action Determination prior to the construction of the Airport Traffic Control Tower at Site 6 per the terms and conditions included in the April 24, 2023 letter from the Duluth Airport Authority to the FAA Airports District Office. The Duluth Airport Authority must work closely with the FAA during coordination with MPCA on remediation of the site to ensure FAA's requirements are met.

The submission of this signed document constitutes concurrence and adherence to FAA construction policy concerning appropriate public notification of the airport community regarding this intent to build a new ATCT/TRACON and any impacts therein concerning the use of said airfield. The submission of this document does not waive the requirement of public comment as defined in the National Environmental Policy Act (NEPA), the Council on Environmental Quality (CEQ) regulations implementing NEPA Title 40 of the United States Code of Federal Regulations [CFR], Parts 1500-1517, and other statutes, orders, directives, or policy concerning environmental assessment and alternatives.

Receipt of this completed form is necessary for to continue into the design phase of this project.

If you have any questions concerning these findings or the attached form, please let me know. I can be reached at 412-302-4471.

Sincerely,

**DANIEL B** Digitally signed by  
**MCCORMICK** DANIEL B  
MCCORMICK

Daniel McCormick, P.E.  
Central Service Area Planning Lead  
Air Traffic Control Facilities Planning, AJW-244



**Airport Submission**

The DLH Airport owner/operator hereby confirms that the Duluth Airport Authority has advised the user community of the proposed new ATCT and the effects the above impacts would have on its operations at the airport.

For the Airport Sponsor:

Duluth Airport Authority  
Duluth, Minnesota

Tom Werner  
Digitally signed by Tom Werner  
Date: 2023.06.02 08:24:54 -05'00'  
\_\_\_\_\_  
*Signature*

2JUN23  
\_\_\_\_\_  
*Date*

Tom Werner  
\_\_\_\_\_  
*Printed Name*

Executive Director  
\_\_\_\_\_  
*Title*

## IV - J

**From:** [Steve Bulwicz](#)  
**To:** [DAA](#)  
**Subject:** Sky Harbor new terminal  
**Date:** Saturday, June 10, 2023 10:43:25 AM

---

Greetings,

I flew my personal aircraft into Sky Harbor yesterday and noted there appears to be a major reconstruction project to rebuild the terminal building. I agree that the current one has seen better days, but I'm very concerned the board (any pilots there?) hadn't run the new plan by the pilot users of the facility. I also heard that the architectural group (non pilots) never even went out there to speak with pilots, and designed a "cookie cutter" facility that could mimic a cold feeling Greyhound bus terminal without the wall tiles. As for designing in the ADA standards, how hard is that? You basically add a ramp, electric push button door and grab handles in the restrooms. So it appears the end result will be polished concrete floors and industrial ceilings. Yes, that's the cheap way to build a noisy new brewery building too. So what's missing here from a pilot's standpoint? How about an Up North look with pine wood walls and/or ceiling, River rock face gas fireplace, office, coffee bar, conference area, comfortable seating, vending machines and bathrooms? What a concept.

Maybe I'm overreacting, but I've seen similar architectural disasters at other Minnesota airports recently as well.

Thanks,  
Steve Bulwicz



IV - K

June 12, 2023

The Honorable Sam Graves  
Chairman  
House Committee on Transportation  
and Infrastructure  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Rick Larsen  
Ranking Member  
House Committee on Transportation  
and Infrastructure  
U.S. House of Representatives  
Washington, DC 20515

Dear Chairman Graves and Ranking Member Larsen:

As you prepare to markup Federal Aviation Administration (FAA) reauthorization legislation, we strongly urge you to raise the FAA's mandatory retirement age for commercial airline pilots from 65 to 67. Thousands of highly skilled and experienced pilots exited the industry during the pandemic, primarily at the largest airlines, exacerbating an existing pilot shortage. These airlines replenished their pilot workforce by hiring pilots in unprecedented numbers from smaller air carriers that provide air service to small-and medium-sized airports. Without a sufficient supply of pilots, service to these airports has collapsed across the country despite robust passenger demand. Raising the retirement age is the only near-term solution that will help restore air service and provide time for longer-term workforce solutions to take effect.

Congress increased the retirement age from 60 to 65 in 2007, with no negative impact on aviation safety. Existing regulations require two pilots on the flight deck, and no other profession is assessed as extensively or frequently as pilots who must undergo mandatory medical examinations every six months and with an EKG every 12 months. All pilots have their skills regularly evaluated in flight simulators to ensure proficiency, utilizing historic data to present almost every kind of dangerous scenario a pilot could face. Additionally, Part 135 operators are not subject to a retirement age, and pilots over the age of 65 are currently providing safe, scheduled, passenger service safely through the Essential Air Service Program.

Absent immediate policy action by Congress, the shortfall of pilots could reach over 38,000 by 2030, including 15,000 mandatory retirements over the next five years alone.<sup>1</sup> According to the U.S. Government Accountability Office (GAO), 61 percent of qualified pilots must retire within the next two decades, and over this same period 4,300 ATP holders will reach the mandatory retirement age each year on average.<sup>2</sup> If these pilots are allowed to continue to fly, it will slow down the domino effect of attrition, equipment changes, and retraining that start with the retirement of a senior pilot, which ultimately culminates in the hiring of a pilot from a smaller air carrier. By moderating this attrition, smaller air carriers will be able to stabilize their workforce. This in turn will help create the environment where lost air service can return.

Despite increased FAA pilot certifications in 2022, there are not enough pilots qualified for hire. Though 9,491 new pilots qualified in 2022—the highest number on record—it fell far short of the 13,128 hired

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<sup>1</sup> <https://wefly4you.com>, *Pilot Scarcity - 2022, What Did Not Happen, May 2023, Slides 10 and 15.*

<sup>2</sup> GAO-23-105571, *Aviation Workforce: Current and Future Availability of Airline Pilots and Aircraft Mechanics* Published: May 17, 2023.



by just one subset of the airline industry last year.<sup>3</sup> And pilot hiring this year hasn't slowed either and will continue to be robust because of the coming tsunami of pilot retirements. Currently more than 500 regional aircraft are parked, and aircraft remaining in service are being operated between 20-40% less than their usual operation.<sup>4</sup> Today, 321 airports in the contiguous United States, or 75 percent, have lost on average 26 percent of their flights.<sup>5</sup> Sixteen airports have lost all their service. From a state-by-state air service perspective, 43 of 50 states have less air service today than they did pre-pandemic. Additionally, comparing July 2019 departures to announced July 2023 schedules, network carriers have exited 73 markets, with almost all exits representing a loss of regional lift.<sup>6</sup>

The shortage of pilots is an immediate crisis that will continue to force major and regional airlines to significantly reduce capacity and growth for the remainder of the decade and beyond.<sup>7</sup> Consumers will ultimately pay the price in the form of higher fares and reduced service options, including more frequent flight delays and cancellations. In addition, the loss of air service has many other adverse economic consequences, including stifling workforce development for businesses, increasing costs for manufacturers, reducing trade and tourism opportunities, and shrinking local revenues from taxes. Further, reduced air service threatens important funding streams for airports, such as AIP entitlement funding which are apportioned based on enplanements. The shortage also negatively impacts timely delivery of air cargo to rural areas and supply chain resiliency.

Lastly, nine countries currently have retirement ages above 65, and the International Civil Aviation Agency is in the process of reviewing best practices used by these countries as it considers an update to its own age standards.<sup>8</sup> In the event the U.S. raises the retirement age, some pilots who wish to continue flying will have to transition to domestic routes where they will likely return to aircraft they have already flown. While this requires retraining, it is significantly less burdensome, complex, and time-consuming than what is required to train new pilots when a senior pilot retires.

Raising the retirement is a safe, practical solution for restoring air service and will also keep experience and expertise on the flight deck. We are counting on Congress to take the lead to address this vital issue, and we stand ready to assist you in your efforts. Thank you in advance for your consideration of our request.

Sincerely,



Raise the Pilot Age



Regional Airline Association

---

<sup>3</sup> <https://fapa.aero/hiringhistoryarchive.asp?year=2022>.

<sup>4</sup> <https://www.flightglobal.com/fleets/nearly-500-regional-jets-parked-in-usa-cirium-fleets-data/152859.article>.

<sup>5</sup> OAG published schedules July 2019 vs. July 2023.

<sup>6</sup> OAG published schedules July 2019 vs. July 2023.

<sup>7</sup> *Supra note 1 at Slide 13.*

<sup>8</sup> 9 countries include Australia, Austria, Brazil, Canada, Costa Rica, New Zealand, Russia, Senegal, Ukraine



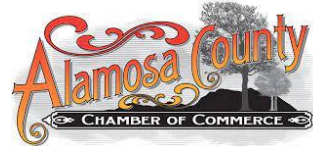
National Air Carrier Association



Regional Air Cargo Carriers Association



International Air Transport Association



Alamosa County Chamber of Commerce



Abraham Lincoln International Airport



Boise Metro Chamber



Casper Natrona County International Airport



Central Wyoming Regional Airport



Chippewa Valley Regional Airport



Dayton Area Chamber of Commerce



Dayton International Airport



Dubuque Regional Airport



Duluth Airport Authority



Duluth Area Chamber of Commerce



Eastern Iowa Airport



England Airpark



Golden Triangle Regional Airport



Greater Springfield Chamber of Commerce



Hilton Head Island Airport



Iowa Public Airports Association



Johnstown-Cambria Airport Authority



Keweenaw Economic Development Alliance



LaCrosse Regional Airport



Lake Charles Regional Airport





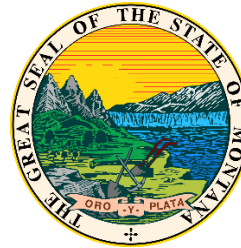
Mason City Municipal Airport



MHIRJ



Monroe Regional Airport



Montana Essential Air Service Task Force



New York Aviation Management Association



Northeast Wyoming Regional Airport



Oklahoma City Airports



Range Regional Airport



Rock Springs Chamber of Commerce



Salisbury Regional Airport



Santa Maria Valley Chamber



Sidney Richland Regional Airport Authority



Sioux Gateway Chamber



Siouxland Chamber of Commerce



Southwest Wyoming Regional Airport



Visit Boise



Washington County Chamber of Commerce



Williamsport Regional Airport



Williamsport/Lycoming Chamber of Commerce

CC:

Members of the House Committee on Transportation and Infrastructure

# THE MYTHS & FACTS

**MYTH** Legislation to increase the airline pilot retirement age would put the public at risk.

**FACT** There is no other profession in the world that is assessed as extensively and as frequently as pilots. Pilots undergo frequent medical testing that identifies health issues that would disqualify a pilot from flying. In addition, pilot competency is regularly tested in the simulator, which uses historical data to present just about every kind of scenario a pilot could face.

**MYTH** Moving older pilots to domestic flights would create a scheduling problems and would not increase the supply of pilots as intended.

**FACT** Many pilots being forced to retire are only flying domestic routes already. Where pilots may need to transition from international routes to domestic routes, they typically resume operating equipment they have previously flown, where requalification time is significantly shorter and simpler than what is required to train new pilots. The vast majority of pilots flying would not be forced to switch aircraft and would not require any additional training at all.

**MYTH** Extending the current retirement age to 67 would greatly reduce demand for new pilots.

**FACT** We need as many pilots as we can get. The pilot shortage is real and worsening, yet tens of thousands of new pilots must be added to the workforce to meet retirements and increased demand. Larger airlines are pulling pilots from the regional airlines (leading to canceled service in rural areas) and have greatly shortened their captain upgrade times, but flights are still being canceled. Raising the age also helps new pilots whose career entry has been slowed by a lack of captains to fly with. Within the pilot shortage, there is an even more acute captain shortage, which has already impacted hiring despite an overall shortage.

**MYTH** The International Civil Aviation Organization (ICAO) will never change the international age limits for commercial pilots.

**FACT** The International Air Transportation Association (IATA) has requested that ICAO increase age limits for commercial pilots and in response, a request that was well supported by the states. ICAO is now reviewing best practices used by the nine countries that allow flying past age 65.

**MYTH** Seeking to pass legislation to increase the airline pilot retirement age is a distraction that consumes time, energy and effort that could be better utilized focusing on the next generation of workers.

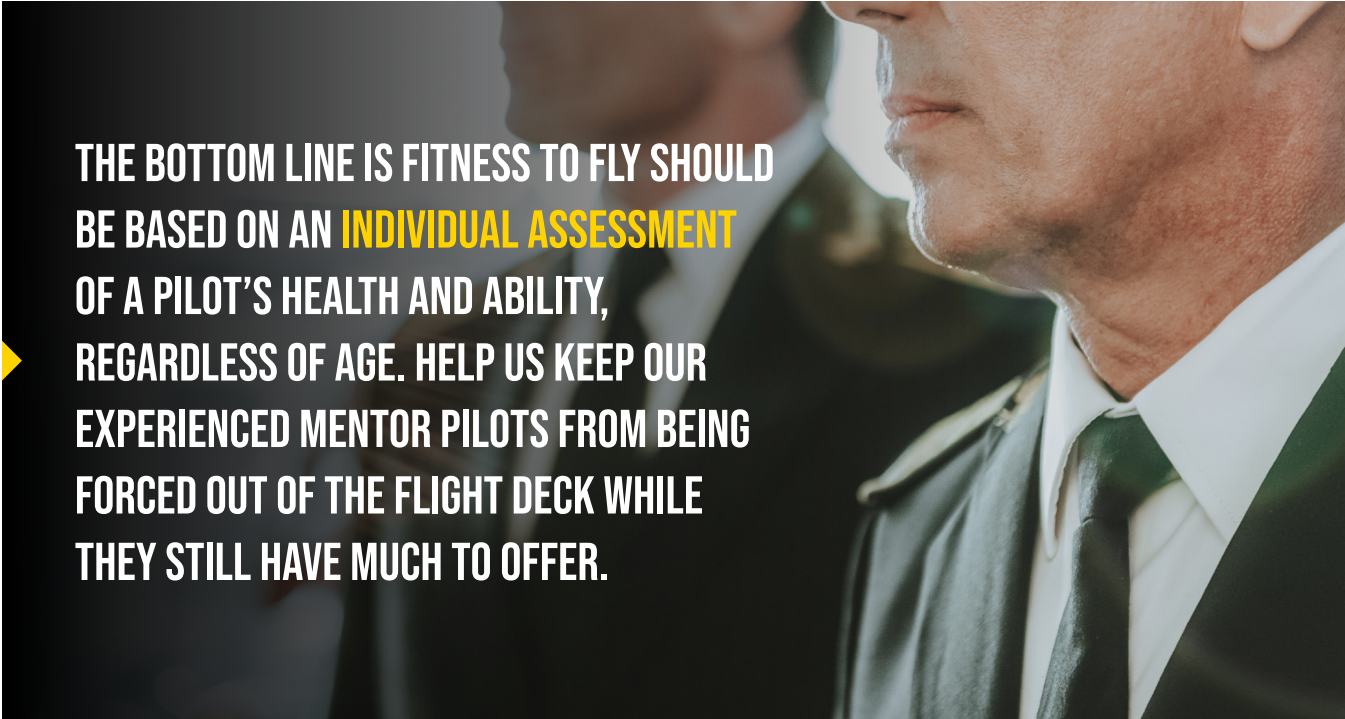
**FACT** We can and should do both. Supporting new pilots is crucial to meeting long term needs but ALPA has been blocking these efforts. We are finally seeing progress but solutions will take time to mature. Raising the retirement age relieves pressure, as we draw and train new pilots safely. Additionally, as we will need to hire tens of thousands of new pilots within the next decade, our most experienced aviators will become important mentors for this new generation.

**MYTH** Studies sponsored by the European Aviation Safety Agency (EASA) led EASA to “conclude” that the retirement age should not be increased.

**FACT** This was not a “study” or “studies” but rather a literature review, that looked only at the risk of pilot incapacitation in the context of EU regulations (which are different than U.S. standards). It did not review the implications of raising age limits on an incremental basis (65-67). The study had an explicit disclaimer that that the views expressed in the study have not been adopted, endorsed or in any way approved by EASA.

# GET THE FACTS

- There are no studies that demonstrate a significant difference in risk will occur if the pilot age limit is raised from 65 to 67.
- The age limit for commercial airline pilots was enacted more than 60 years ago. We now have a better understanding of both the prevalence of pilot incapacitations and the level of associated risk.
- The incidence of pilot incapacitation is extremely rare, occurring less than 0.45 time per 1,000,000 flight hours.
- Most pilot incapacitations cannot be prevented with an age limit because they are caused by conditions such as gastroenteritis (food poisoning), laser strikes, headaches, and sinus problems.
- Cardiovascular risk is often mentioned as a primary concern associated with pilot incapacitation, however, cardiovascular mortality has decreased by more than 50% since the age limit was first enacted and the average life expectancy has increased by almost a decade.
- Although incapacitations are extremely rare, pilots routinely train on managing these situations safely when they do occur. Pilots in part 121 operations do not operate alone.
- Pilots undergo a more frequent and higher level of testing than any other high-stakes profession.
- Pilots undergo frequent medical testing that identifies health issues that would disqualify a pilot from flying, including a first-class medical examination every 6 months and EKG every 12 months.
- Pilots over 60 undergo frequent simulator assessments to verify their continued competence and flight skills. These assessments provide an evidence-based measure of a pilot's decision-making, reaction time, communication, and overall performance.



**THE BOTTOM LINE IS FITNESS TO FLY SHOULD BE BASED ON AN **INDIVIDUAL ASSESSMENT** OF A PILOT'S HEALTH AND ABILITY, REGARDLESS OF AGE. HELP US KEEP OUR EXPERIENCED MENTOR PILOTS FROM BEING FORCED OUT OF THE FLIGHT DECK WHILE THEY STILL HAVE MUCH TO OFFER.**

**PLEASE CO-SPONSOR THE LET EXPERIENCED PILOTS FLY ACT (S.893 & H.R. 1761).**



# THE PILOT SHORTAGE IS RESULTING IN AN AIR SERVICE COLLAPSE

500

aircraft are parked and remaining aircraft are under utilized.

43/50

states have **less** air service than pre-pandemic.<sup>1</sup>

321 (75%)

airports in the continuous United States have less service than pre pandemic and the average loss is 26% of their flights. 16 airports have lost all service.<sup>1</sup>

Carriers that partner with regional airlines have **exited from 73 markets.**<sup>1</sup>

## 2021 U.S. AIR SERVICE NETWORK



## U.S. AIR SERVICE NETWORK WITHOUT REGIONAL AIRLINES

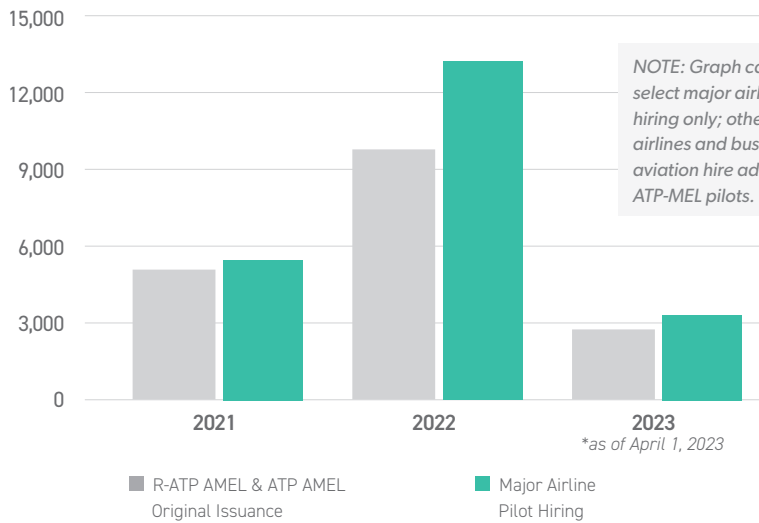


<sup>1</sup> OAG published schedules July 2019 vs. July 2023

# DEMAND FOR PILOTS EXCEEDS PRODUCTION

Claims that a pilot shortage doesn't exist can't be supported by facts and data. Since 2021, twelve major carriers alone have hired more pilots than were qualified with ATP AMELs. These pilots were hired primarily from regional airlines, exacerbating an existing pilot shortage. The shortage is being fueled by a coming tsunami of pilot retirements. Over the next 15 years, 50 percent of commercial airline pilots will be forced to retire at the age of 65.

## MAJOR CARRIER HIRING EXCEEDS PRODUCTION OF PILOTS<sup>4</sup>

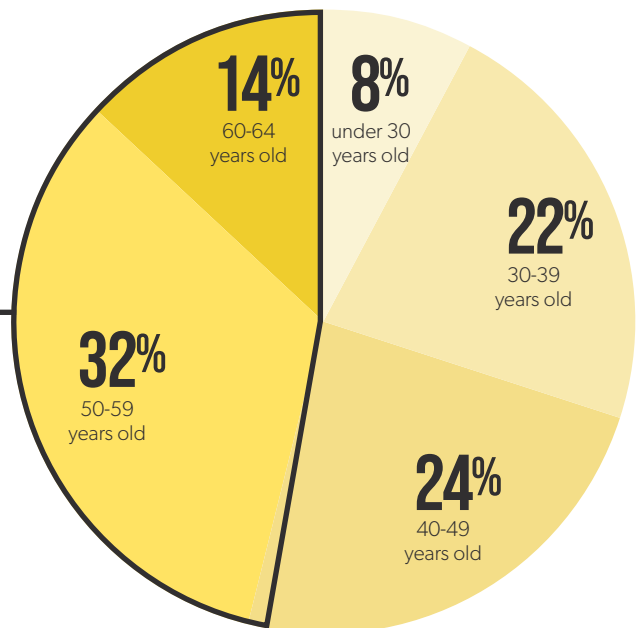


Federal regulations **require** Part 121 Commercial airline pilots to retire at age

# 65

Nearly **50%** of today's Part 121 qualified pilot workforce must retire within 15 years.

**OVER 14%** must retire within five years.



VII - A

RESOLUTION OF SUPPORT OF THE AIR TRAFFIC CONTROL TOWER  
REPLACEMENT PROJECT

**WHEREAS**, the Duluth Airport Authority recognizes the importance and need for the replacement of the Air Traffic Control Tower and Terminal Radar Approach Control Facility at the Duluth International Airport.

**WHEREAS**, an Air Traffic Control Tower in Duluth supports commercial flights, general aviation, cargo operations, aeromedical evacuation, military security, and public safety.

**WHEREAS**, the current Air Traffic Control Tower is beyond its useful life and does not meet current life safety requirements.

**WHEREAS**, a state capital request will be made to leverage \$38 million in potential federal funding through the Investment in Infrastructure and Jobs Act (IIJA) to fund a new Air Traffic Control Tower.

**WHEREAS**, a resolution of support is preferred in support of a project when a state capital request is made.

**WHEREAS**, contracts for payment of this project will come to the DAA board for approval as required.

**NOW, THEREFORE, BE IT RESOLVED** that the Duluth Airport Authority hereby supports the pre-design, design, construction, furnishing and equipment of a new air traffic control tower and will work with its state and federal agency partners to fund this project.

PASSED by the Duluth Airport Authority this 20<sup>th</sup> day of June, 2023.

Signed by: \_\_\_\_\_ Date: \_\_\_\_\_  
DAA President

Signed by: \_\_\_\_\_ Date: \_\_\_\_\_  
DAA Secretary

**RESOLUTION**

**AUTHORIZATION TO EXECUTE  
MINNESOTA DEPARTMENT OF TRANSPORTATION  
AIRPORT MAINTENANCE AND OPERATION GRANT CONTRACT**

It is resolved by the Duluth Airport Authority as follows:

1. That the state of Minnesota Contract Number 1053348,  
"Airport Maintenance and Operation Grant Contract," at the  
Duluth International Airport is accepted.

2. That the \_\_\_\_\_ and \_\_\_\_\_ are  
(Mayor, Chairperson, President, etc.) (Clerk, Auditor, Secretary, etc.)  
authorized to execute this Contract 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  
AIRPORT MAINTENANCE AND OPERATION GRANT CONTRACT**

**State Project Number (S.P.):** A6901-MO24  
**State Project Number (S.P.):** A6901-MO25

This contract is between the State of Minnesota, acting through its Commissioner of Transportation (“State”) and Duluth Airport Authority (Duluth International Airport) acting through its Airport Authority (“Recipient”).

### **RECITALS**

---

1. Minnesota Statutes §§360.015 and 360.305 authorize State to provide financial assistance to airports for maintenance and operation activities.
2. Recipient owns, operates, or controls an airport (“Airport”) in the state system, and Recipient desires financial assistance from the State for maintenance and operation activities for State Fiscal Year 2024 and State Fiscal Year 2025.
3. Recipient represents that it is duly qualified and agrees to perform all services described in this contract to the satisfaction of the State.

### **CONTRACT TERMS**

---

#### **1. Term of Contract and Survival of Terms**

- 1.1. **Effective Date:** This contract will be effective on July 1, 2023, or the date State obtains all required signatures under Minnesota Statutes §16B.98, subdivision 5, whichever is later. As required by Minnesota Statutes §16B.98 Subd. 7, no payments will be made to Recipient until this contract is fully executed.
- 1.2. **Expiration Date:** This contract will expire on June 30, 2025.
- 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 contract, including, but not limited to, the following clauses: 9. Indemnification; 10. State Audits; 11. Government Data Practices; 13. Governing Law, Jurisdiction and Venue; and 14. Data Disclosure.

#### **2. Recipient’s Duties**

- 2.1. Recipient will operate and maintain the Airport in a safe, serviceable manner for aeronautical purposes only for the use and benefit of the public.
- 2.2. The Recipient will keep the runway and the area around the lights mowed at the Airport. The grass must be mowed at least 7 feet beyond the lights, and the grass must not exceed 6 inches in height on the landing area. The areas around any navigational aids will be mowed and plowed to keep the area clear for access by a vehicle.
- 2.3. If the Airport remains operational during the winter months, the Recipient will keep at least one runway, associated taxiway, and apron area cleared of snow and ice to the same priority as arterial roads. Snow banks must be limited in height so that aircraft wings, engines, and propellers will clear them. Landing strip markers and/or lights must remain visible.

- 2.4. If the State contracts for the periodic paint striping of the Airport's runways and taxiways during the term of this Contract, the Recipient will cooperate with the marking operation. The Recipient must coordinate seal coat pavement maintenance projects with the State to maximize the pavement marking life.
- 2.5. The Recipient will allow a representative of the State's Office of Aeronautics access to any area of the Airport necessary for the purpose of periodic inspections.
- 2.6. The Recipient will promptly pay all utility bills, including those required for navigational aids.

### 3. Recipient's Assurances

- 3.1. In accordance with Minnesota Statutes § 360.305, subdivision 4, Recipient assures the State that Recipient will operate and maintain the Airport in a safe, serviceable manner for public aeronautical purposes only for a period of one year from the date the Recipient receives final reimbursement under this contract.
- 3.2. Recipient represents and warrants that Recipient has established a zoning authority for the Airport, and such authority has completed, or is in the process of and will complete, with due diligence, an airport zoning ordinance in accordance with Minnesota Statutes §§ 360.061 to 360.074.
- 3.3. Recipient will comply with all required grants management policies and procedures set forth through Minnesota Statutes §16B.97, Subd. 4 (a) (1).

### 4. Third-Party Contracting

- 4.1. Recipient will comply with all applicable local, state, or federal laws, regulations, policies and procedures in the procurement of goods and services funded in whole or in part under this Contract.

### 5. Consideration and Payment

- 5.1. **Consideration.** State will pay for all eligible telecommunication, maintenance, and operation costs incurred by Recipient under this Contract as follows:
  - 5.1.1. **Basis.** Recipient will be reimbursed for 100% of telecommunication costs associated with the operation of state-owned navigational aids. Recipient will be paid for 75% of all other eligible maintenance and operation costs not reimbursed by any other source. Eligible maintenance and operations costs will be determined at the sole discretion of State's Authorized Representative.
  - 5.1.2. **Telecommunication Amount.** State has currently obligated \$0.00 in each State fiscal year to reimburse eligible telecommunication costs at 100%.
  - 5.1.3. **Maintenance and Operation Amount.** State has currently obligated \$207,067.00 in each State fiscal year to reimburse other eligible costs at 75%.
  - 5.1.4. **Total Obligation.** The total obligation of State for all compensation and reimbursements to Recipient under this contract will not exceed \$414,134.00 (State fiscal years 2024 and 2025).
- 5.2. **Payment.**
  - 5.2.1. **Invoices.** The Recipient must submit a reimbursement request of its eligible costs to the Director of the Office of Aeronautics on a quarterly basis or as directed by State's Authorized Representative. The State's Office of Aeronautics will supply the reimbursement request forms which Recipient must submit. Reimbursement requests must be submitted according to the following schedule:
    - On or after October 1, **and no later than November 15**, for the period July 1 through September 30.
    - On or after January 1, **and no later than February 15**, for the period October 1 through December 31.
    - On or after April 1, **and no later than May 15**, for the period January 1 through March 31.
    - On or after July 1, **and no later than August 15**, for the period April 1 through June 30.

The State may reject costs that the State determines are not eligible maintenance and operations expenses.
  - 5.2.2. **All Invoices Subject to Audit.** All invoices are subject to audit, at State's discretion.

- 5.2.3. **State's Payment Requirements.** State will promptly pay all valid obligations under this contract as required by Minnesota Statutes §16A.124. State will make undisputed payments no later than 30 days after receiving Recipient's invoices and progress reports for services performed. If an invoice is incorrect, defective or otherwise improper, State will notify Recipient within ten days of discovering the error. After State receives the corrected invoice, State will pay Recipient within 30 days of receipt of such invoice.
- 5.2.4. **Grant Monitoring Visit and Financial Reconciliation.** If State's total obligation is greater than \$50,000 in section 5.1.4, above, during the period of performance the State will make at least one monitoring visit and conduct annual financial reconciliations of Recipient's expenditures. The State's Authorized Representative will notify Recipient'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 Recipient staff members should be present. Recipient will be provided notice prior to any monitoring visit or financial reconciliation. Following a monitoring visit or financial reconciliation, Recipient will take timely and appropriate action on all deficiencies identified by State. At least one monitoring visit and one financial reconciliation must be completed prior to final payment being made to Recipient.
- 5.2.5. **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.

## 6. Conditions of Payment

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

## 7. Authorized Representatives

- 7.1. **State's Authorized Representative.** State's Authorized Representative will be:

Name/Title: Jenny Bahneman, Grants Specialist Coordinator

Address: Office of Aeronautics,  
395 John Ireland Boulevard, Mail Stop 410  
Saint Paul, Minnesota 55155

E-Mail: jenny.bahneman@state.mn.us

State's Authorized Representative or his /her successor, will monitor Recipient's performance and has the authority to accept or reject the services provided under this contract. If the Recipient's duties are performed in a satisfactory manner, the State's Authorized Representative will accept each reimbursement request submitted for payment.

- 7.2. **Recipient's Authorized Representative.** Recipient's Authorized Representative will be:

Name/Title: Joelle Bodin, Finance Director

Address: Duluth International Airport, 4701 Grinden Drive, Duluth, MN 55811

Telephone: (218) 725-2968

E-Mail: jbodin@duluthairport.com

If Recipient's Authorized Representative changes at any time during this contract, Recipient must immediately notify State.

## 8. Assignment, Amendments, Waiver and Contract Complete

- 8.1. **Assignment.** Recipient may neither assign nor transfer any rights or obligations under this contract without the prior consent of State and a fully executed Assignment Contract, executed and approved by the same parties who executed and approved this contract, or their successors in office.
- 8.2. **Amendments.** An amendment to this contract 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 contract, or their successors in office.
- 8.3. **Waiver.** If State fails to enforce any provision of this contract that failure does not waive the provision or State's right to subsequently enforce it.
- 8.4. **Contract Complete.** This contract contains all prior negotiations and agreements between State and Recipient. No other prior understanding regarding this contract, whether written or oral, may be used to bind either party.
- 8.5. **Electronic Records and Signatures.** The parties agree to contract by electronic means. This includes using electronic signatures and converting original documents to electronic records.
- 8.6. **Certification.** By signing this Agreement, the Recipient certifies that it is not suspended or debarred from receiving federal or state awards.

## 9. Indemnification

- 9.1. In the performance of this contract by Recipient, or Recipient's agents or employees, and to the extent permitted by law, Recipient must indemnify, save and hold State, its agents, and employees harmless from any and all claims or causes of action, including reasonable attorney's fees incurred by State, to the extent caused by Recipient's: 1) intentional, willful or negligent acts or omissions; 2) breach of contract or warranty; or 3) breach of the applicable standard of care. The indemnification obligations of this section do not apply if the claim or cause of action is the result of State's sole negligence. This clause will not be construed to bar any legal remedies Recipient may have for State's failure to fulfill its obligation pursuant to this contract.

## 10. State Audits

- 10.1. Under Minnesota Statutes § 16B.98, Subd.8, the Recipient's books, records, documents, and accounting procedures and practices of Recipient, or other party relevant to this grant contract or transaction, are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this contract or receipt and approval of all final reports, whichever is later. Recipient will take timely and appropriate action on all deficiencies identified by an audit.

## 11. Government Data Practices

- 11.1. Recipient and State must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by State under this contract, and as it applies to all data created, collected, received, stored, used, maintained or disseminated by Recipient under this contract. The civil remedies of Minnesota Statutes §13.08 apply to the release of the data referred to in this clause by either Recipient or State. If Recipient receives a request to release the data referred to in this Clause, Recipient must immediately notify State and consult with State as to how Recipient should respond to the request. Recipient's response to the request must comply with applicable law.

## 12. Workers' Compensation

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

## 13. Governing Law, Jurisdiction and Venue

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



#### 14. Data Disclosure

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

#### 15. Termination and Suspension

- 15.1. **Termination by the State.** The State may terminate this contract with or without cause, upon 30 days written notice to the Recipient. Upon termination, the Recipient will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.
- 15.2. **Termination for Cause.** The State may immediately terminate this grant contract if the State finds that there has been a failure to comply with the provisions of this contract, that reasonable progress has not been made, that fraudulent or wasteful activity has occurred, that Recipient 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.
- 15.3. **Termination for Insufficient Funding.** The State may immediately terminate this contract if: It does not obtain funding from the Minnesota Legislature; or 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 Recipient. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Recipient 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 contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State will provide the Recipient notice of the lack of funding within a reasonable time of the State's receiving that notice.
- 15.4. **Suspension.** The State may immediately suspend this contract 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 Recipient during a period of suspension will be deemed unauthorized and undertaken at risk of non-payment.

#### 16. Discrimination Prohibited by Minnesota Statutes §181.59

- 16.1. Recipient 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 contract.

#### 17. Limitation.

- 17.1. Under this contract, the State is only responsible for disbursing funds. Nothing in this contract will be construed to make the State a principal, co-principal, partner, or joint venturer with respect to the Project(s) covered herein. The State may provide technical advice and assistance as requested by the Recipient, however, the Recipient will remain responsible for providing direction to its contractors and consultants and for

administering its contracts with such entities. The Recipient's consultants and contractors are not intended to be third party beneficiaries of this contract.

**STATE ENCUMBRANCE VERIFICATION**

Individual certifies that funds have been encumbered as required by Minnesota Statutes §16A.15 and §16C.05.\*

Signed: \_\_\_\_\_

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

SWIFT Contract (SC) ID No. \_\_\_\_\_

Purchase Order (PO) ID No. \_\_\_\_\_

\*PO staged and to be encumbered with future State fiscal year funds.

**RECIPIENT**

Recipient certifies that the appropriate person(s) have executed Contracts on behalf of Recipient as required by applicable articles, bylaws or resolutions.

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

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

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

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

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

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

**DEPARTMENT OF TRANSPORTATION**

By: \_\_\_\_\_  
(with delegated authority)

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

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

**MnDOT CONTRACT MANAGEMENT**

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

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

**RESOLUTION**

**AUTHORIZATION TO EXECUTE  
MINNESOTA DEPARTMENT OF TRANSPORTATION  
AIRPORT MAINTENANCE AND OPERATION GRANT CONTRACT**

It is resolved by the Duluth Airport Authority as follows:

1. That the state of Minnesota Contract Number 1053349,  
"Airport Maintenance and Operation Grant Contract," at the  
Duluth Sky Harbor Airport is accepted.

2. That the \_\_\_\_\_ and \_\_\_\_\_ are  
(Mayor, Chairperson, President, etc.) (Clerk, Auditor, Secretary, etc.)  
authorized to execute this Contract 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**  
**AIRPORT MAINTENANCE AND OPERATION GRANT CONTRACT**

**State Project Number (S.P.):** A6901A-MO24  
**State Project Number (S.P.):** A6901A-MO25

This contract is between the State of Minnesota, acting through its Commissioner of Transportation (“State”) and Duluth Airport Authority (Duluth Sky Harbor Airport) acting through its Airport Authority (“Recipient”).

### **RECITALS**

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1. Minnesota Statutes §§360.015 and 360.305 authorize State to provide financial assistance to airports for maintenance and operation activities.
2. Recipient owns, operates, or controls an airport (“Airport”) in the state system, and Recipient desires financial assistance from the State for maintenance and operation activities for State Fiscal Year 2024 and State Fiscal Year 2025.
3. Recipient represents that it is duly qualified and agrees to perform all services described in this contract to the satisfaction of the State.

### **CONTRACT TERMS**

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#### **1. Term of Contract and Survival of Terms**

- 1.1. **Effective Date:** This contract will be effective on July 1, 2023, or the date State obtains all required signatures under Minnesota Statutes §16B.98, subdivision 5, whichever is later. As required by Minnesota Statutes §16B.98 Subd. 7, no payments will be made to Recipient until this contract is fully executed.
- 1.2. **Expiration Date:** This contract will expire on June 30, 2025.
- 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 contract, including, but not limited to, the following clauses: 9. Indemnification; 10. State Audits; 11. Government Data Practices; 13. Governing Law, Jurisdiction and Venue; and 14. Data Disclosure.

#### **2. Recipient’s Duties**

- 2.1. Recipient will operate and maintain the Airport in a safe, serviceable manner for aeronautical purposes only for the use and benefit of the public.
- 2.2. The Recipient will keep the runway and the area around the lights mowed at the Airport. The grass must be mowed at least 7 feet beyond the lights, and the grass must not exceed 6 inches in height on the landing area. The areas around any navigational aids will be mowed and plowed to keep the area clear for access by a vehicle.
- 2.3. If the Airport remains operational during the winter months, the Recipient will keep at least one runway, associated taxiway, and apron area cleared of snow and ice to the same priority as arterial roads. Snow banks must be limited in height so that aircraft wings, engines, and propellers will clear them. Landing strip markers and/or lights must remain visible.



- 2.4. If the State contracts for the periodic paint striping of the Airport's runways and taxiways during the term of this Contract, the Recipient will cooperate with the marking operation. The Recipient must coordinate seal coat pavement maintenance projects with the State to maximize the pavement marking life.
- 2.5. The Recipient will allow a representative of the State's Office of Aeronautics access to any area of the Airport necessary for the purpose of periodic inspections.
- 2.6. The Recipient will promptly pay all utility bills, including those required for navigational aids.

### 3. Recipient's Assurances

- 3.1. In accordance with Minnesota Statutes § 360.305, subdivision 4, Recipient assures the State that Recipient will operate and maintain the Airport in a safe, serviceable manner for public aeronautical purposes only for a period of one year from the date the Recipient receives final reimbursement under this contract.
- 3.2. Recipient represents and warrants that Recipient has established a zoning authority for the Airport, and such authority has completed, or is in the process of and will complete, with due diligence, an airport zoning ordinance in accordance with Minnesota Statutes §§ 360.061 to 360.074.
- 3.3. Recipient will comply with all required grants management policies and procedures set forth through Minnesota Statutes §16B.97, Subd. 4 (a) (1).

### 4. Third-Party Contracting

- 4.1. Recipient will comply with all applicable local, state, or federal laws, regulations, policies and procedures in the procurement of goods and services funded in whole or in part under this Contract.

### 5. Consideration and Payment

- 5.1. **Consideration.** State will pay for all eligible telecommunication, maintenance, and operation costs incurred by Recipient under this Contract as follows:
  - 5.1.1. **Basis.** Recipient will be reimbursed for 100% of telecommunication costs associated with the operation of state-owned navigational aids. Recipient will be paid for 75% of all other eligible maintenance and operation costs not reimbursed by any other source. Eligible maintenance and operations costs will be determined at the sole discretion of State's Authorized Representative.
  - 5.1.2. **Telecommunication Amount.** State has currently obligated \$0.00 in each State fiscal year to reimburse eligible telecommunication costs at 100%.
  - 5.1.3. **Maintenance and Operation Amount.** State has currently obligated \$17,853.00 in each State fiscal year to reimburse other eligible costs at 75%.
  - 5.1.4. **Total Obligation.** The total obligation of State for all compensation and reimbursements to Recipient under this contract will not exceed \$35,706.00 (State fiscal years 2024 and 2025).
- 5.2. **Payment.**
  - 5.2.1. **Invoices.** The Recipient must submit a reimbursement request of its eligible costs to the Director of the Office of Aeronautics on a quarterly basis or as directed by State's Authorized Representative. The State's Office of Aeronautics will supply the reimbursement request forms which Recipient must submit. Reimbursement requests must be submitted according to the following schedule:
    - On or after October 1, **and no later than November 15**, for the period July 1 through September 30.
    - On or after January 1, **and no later than February 15**, for the period October 1 through December 31.
    - On or after April 1, **and no later than May 15**, for the period January 1 through March 31.
    - On or after July 1, **and no later than August 15**, for the period April 1 through June 30.

The State may reject costs that the State determines are not eligible maintenance and operations expenses.
  - 5.2.2. **All Invoices Subject to Audit.** All invoices are subject to audit, at State's discretion.

- 5.2.3. **State's Payment Requirements.** State will promptly pay all valid obligations under this contract as required by Minnesota Statutes §16A.124. State will make undisputed payments no later than 30 days after receiving Recipient's invoices and progress reports for services performed. If an invoice is incorrect, defective or otherwise improper, State will notify Recipient within ten days of discovering the error. After State receives the corrected invoice, State will pay Recipient within 30 days of receipt of such invoice.
- 5.2.4. **Grant Monitoring Visit and Financial Reconciliation.** If State's total obligation is greater than \$50,000 in section 5.1.4, above, during the period of performance the State will make at least one monitoring visit and conduct annual financial reconciliations of Recipient's expenditures. The State's Authorized Representative will notify Recipient'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 Recipient staff members should be present. Recipient will be provided notice prior to any monitoring visit or financial reconciliation. Following a monitoring visit or financial reconciliation, Recipient will take timely and appropriate action on all deficiencies identified by State. At least one monitoring visit and one financial reconciliation must be completed prior to final payment being made to Recipient.
- 5.2.5. **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.

## 6. Conditions of Payment

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

## 7. Authorized Representatives

- 7.1. **State's Authorized Representative.** State's Authorized Representative will be:

Name/Title: Jenny Bahneman, Grants Specialist Coordinator  
Address: Office of Aeronautics,  
395 John Ireland Boulevard, Mail Stop 410  
Saint Paul, Minnesota 55155  
E-Mail: jenny.bahneman@state.mn.us

State's Authorized Representative or his /her successor, will monitor Recipient's performance and has the authority to accept or reject the services provided under this contract. If the Recipient's duties are performed in a satisfactory manner, the State's Authorized Representative will accept each reimbursement request submitted for payment.

- 7.2. **Recipient's Authorized Representative.** Recipient's Authorized Representative will be:

Name/Title: Joelle Bodin, Finance Director  
Address: Duluth International Airport, 4701 Grinden Drive, Duluth, MN 55811  
Telephone: (218) 725-2968  
E-Mail: jbodin@duluthairport.com

If Recipient's Authorized Representative changes at any time during this contract, Recipient must immediately notify State.

## 8. Assignment, Amendments, Waiver and Contract Complete

- 8.1. **Assignment.** Recipient may neither assign nor transfer any rights or obligations under this contract without the prior consent of State and a fully executed Assignment Contract, executed and approved by the same parties who executed and approved this contract, or their successors in office.
- 8.2. **Amendments.** An amendment to this contract 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 contract, or their successors in office.
- 8.3. **Waiver.** If State fails to enforce any provision of this contract that failure does not waive the provision or State's right to subsequently enforce it.
- 8.4. **Contract Complete.** This contract contains all prior negotiations and agreements between State and Recipient. No other prior understanding regarding this contract, whether written or oral, may be used to bind either party.
- 8.5. **Electronic Records and Signatures.** The parties agree to contract by electronic means. This includes using electronic signatures and converting original documents to electronic records.
- 8.6. **Certification.** By signing this Agreement, the Recipient certifies that it is not suspended or debarred from receiving federal or state awards.

## 9. Indemnification

- 9.1. In the performance of this contract by Recipient, or Recipient's agents or employees, and to the extent permitted by law, Recipient must indemnify, save and hold State, its agents, and employees harmless from any and all claims or causes of action, including reasonable attorney's fees incurred by State, to the extent caused by Recipient's: 1) intentional, willful or negligent acts or omissions; 2) breach of contract or warranty; or 3) breach of the applicable standard of care. The indemnification obligations of this section do not apply if the claim or cause of action is the result of State's sole negligence. This clause will not be construed to bar any legal remedies Recipient may have for State's failure to fulfill its obligation pursuant to this contract.

## 10. State Audits

- 10.1. Under Minnesota Statutes § 16B.98, Subd.8, the Recipient's books, records, documents, and accounting procedures and practices of Recipient, or other party relevant to this grant contract or transaction, are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this contract or receipt and approval of all final reports, whichever is later. Recipient will take timely and appropriate action on all deficiencies identified by an audit.

## 11. Government Data Practices

- 11.1. Recipient and State must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by State under this contract, and as it applies to all data created, collected, received, stored, used, maintained or disseminated by Recipient under this contract. The civil remedies of Minnesota Statutes §13.08 apply to the release of the data referred to in this clause by either Recipient or State. If Recipient receives a request to release the data referred to in this Clause, Recipient must immediately notify State and consult with State as to how Recipient should respond to the request. Recipient's response to the request must comply with applicable law.

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

## 13. Governing Law, Jurisdiction and Venue

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

#### 14. Data Disclosure

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

#### 15. Termination and Suspension

- 15.1. **Termination by the State.** The State may terminate this contract with or without cause, upon 30 days written notice to the Recipient. Upon termination, the Recipient will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.
- 15.2. **Termination for Cause.** The State may immediately terminate this grant contract if the State finds that there has been a failure to comply with the provisions of this contract, that reasonable progress has not been made, that fraudulent or wasteful activity has occurred, that Recipient 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.
- 15.3. **Termination for Insufficient Funding.** The State may immediately terminate this contract if: It does not obtain funding from the Minnesota Legislature; or 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 Recipient. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Recipient 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 contract is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State will provide the Recipient notice of the lack of funding within a reasonable time of the State's receiving that notice.
- 15.4. **Suspension.** The State may immediately suspend this contract 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 Recipient during a period of suspension will be deemed unauthorized and undertaken at risk of non-payment.

#### 16. Discrimination Prohibited by Minnesota Statutes §181.59

- 16.1. Recipient 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 contract.

#### 17. Limitation.

- 17.1. Under this contract, the State is only responsible for disbursing funds. Nothing in this contract will be construed to make the State a principal, co-principal, partner, or joint venturer with respect to the Project(s) covered herein. The State may provide technical advice and assistance as requested by the Recipient, however, the Recipient will remain responsible for providing direction to its contractors and consultants and for



administering its contracts with such entities. The Recipient's consultants and contractors are not intended to be third party beneficiaries of this contract.

**STATE ENCUMBRANCE VERIFICATION**

Individual certifies that funds have been encumbered as required by Minnesota Statutes §16A.15 and §16C.05.\*

Signed: \_\_\_\_\_

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

SWIFT Contract (SC) ID No. \_\_\_\_\_

Purchase Order (PO) ID No. \_\_\_\_\_

\*PO staged and to be encumbered with future State fiscal year funds.

**RECIPIENT**

Recipient certifies that the appropriate person(s) have executed Contracts on behalf of Recipient as required by applicable articles, bylaws or resolutions.

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

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

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

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

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

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

**DEPARTMENT OF TRANSPORTATION**

By: \_\_\_\_\_  
(with delegated authority)

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

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

**MnDOT CONTRACT MANAGEMENT**

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

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



## DULUTH AIRPORT AUTHORITY

### MEMORANDUM

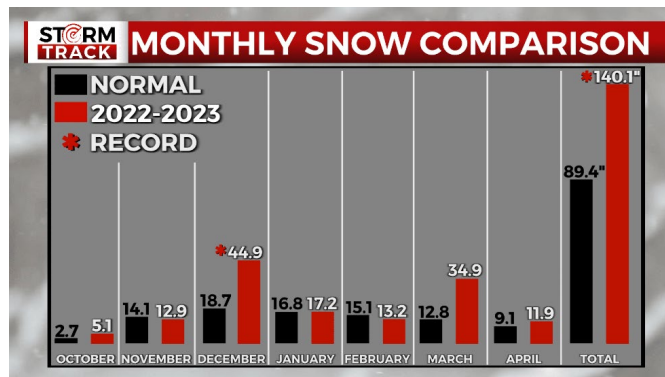
**To:** Duluth Airport Authority Board of Directors  
**From:** Tom Werner  
**Date:** 06/14/2023  
**Re:** Employee Incentive Award – Winter Season 2022-2023

In accordance with Duluth Airport Authority's (DAA) Operating Policy 5 (OP 5), I recommend a \$1000 incentive award for all operations and maintenance employees involved with the record setting winter the Duluth Airport Authority experienced in 2022-2023:

- Ryan Welch
- Paul Sinnott
- Dan Taylor
- Matt Johnson
- Roger Engelmeier
- Wade Cossalter
- Derek Anderson
- Tristan Durfee
- Justin Tibodeau
- John Graves
- John Orrey
- Mike Felleron

All these employees have gone 'Above and Beyond' the call of their specific job descriptions and deserve recognition for living our organization's values. Additional details are provided below.

The winter season of 2022-2023 was one that started early and continued at a record setting pace across every spectrum. The below graphic summarizes the winter season extremely well.



Every one of the employees listed above worked countless hours to make this airport safe and operational over an entire season. Not only did this winter set records for snow totals, but also in the number of days that we had measurable snow.



## **DULUTH AIRPORT AUTHORITY**

It is without question that the operations and maintenance team warrants recognition for their extraordinary efforts this winter.

Please refer questions regarding this recommendation to the undersigned.

Sincerely,

**Tom  
Werner**

Digitally signed by  
Tom Werner  
Date: 2023.06.14  
16:12:33 -05'00'

Tom Werner, C.M.

Executive Director



# MEMORANDUM

**To:** Duluth Airport Authority Board of Directors

**From:** Mark Papko,

**Date:** June 12<sup>th</sup>, 2023

**Re:** Summary of Consultant Selection Process

The Duluth Airport Authority (DAA) intends to design and construct a new Air Traffic Control Tower at Duluth International Airport. To accomplish this the Duluth Airport Authority completed a competitive request for qualifications in accordance with current local regulations and requirements of the Duluth Airport Authority. The specific scope of products and services requested include:

1. Architectural Design Services
2. Civil Engineering and Land Surveying Services (if further services are required beyond the preliminary design underway)
3. Environmental Consulting Services (if further environmental services are needed beyond the Environmental Assessment already underway)
4. Capital Financial Consulting Services
5. Project and Construction Administration Services
6. Political Engagement, Community Involvement and Public Relations

The following is a timeline of key dates:

<b>RFQ Issued</b>	March 14, 2023
<b>*Mandatory (In-person or Virtual) Pre-Bid + Optional Tour of Future DLH ATCT Site</b>	March 28 <sup>th</sup> , 2023
<b>RFQ Questions Due</b>	March 30 <sup>th</sup> , 2023
<b>RFQ Due Date</b>	April 21 <sup>st</sup> , 2023
<b>RFQ Presentation/Interview</b>	May 8 <sup>th</sup> , 2023
<b>RFQ Approval - Authority Board</b>	June 20 <sup>th</sup> , 2023
<b>Agreement - Effective</b>	June 20 <sup>th</sup> , 2023



The DAA received three qualified written proposals at which point all three firms were advanced to the in-person interview/presentation portion. The grading criteria for the firm's written proposal is shown below:

<u>Evaluation Criteria</u>	<u>Weight %</u>	<u>Definition</u>
Qualifications and competence of the firm	10%	Provide firm biography and history of the firm's aviation services business.
Experience of the firms' employees in the type of service being sought.	20%	List recent experience in similar ATCT projects and ability to meet timelines/schedules. Identification of key personnel through prime and subconsultants meet the demanding management of complex multi-phase construction projects on time and on budget.
Firms' familiarity with and proximity to the geographic location of the projects	20%	Indicate office location(s) where work will be performed and familiarity with DLH specific processes and policies.
Knowledge and experience construction ATCT and working with personnel, policies and procedures of the ATCT construction process.	30%	Indicate ability to complete an ATCT build while working with local, state, and federal agencies including but not limited to ADO, ATO, AFTIL, RA, etc.
Firms' ability to provide political support and community involvement to assist with outreach, advocacy, funding requests, etc.	20%	Firm's history and experience of performance in assisting clients with local, state, and federal engagement in high value and/or sensitive projects.

The grading criteria for the in-person interview/presentation is shown below:

<u>Evaluation Criteria</u>	<u>Weight %</u>	<u>Definition</u>
<b>Overview of Services</b>	20%	Firm outlined the overview of their firm's services and how they would fit with the DAA.
<b>Qualifications and Fit</b>	15%	Firm's team that would be working on the DLH ATCT is present, providing a understanding and familiarity of the local area, tenants, and DAA Team.
<b>Public Engagement</b>	15%	Firm's ability to craft a well rounded public/political engagement campaign for local, regional, and national engagement.
<b>Responses to Questions</b>	40%	Firm was able to provide sound response and justification with relevant examples to all of the DAA's questions during the interview
<b>Overall Presentation/Interview Compliance</b>	10%	Firm was able to follow all instructions in providing a well rounded presentation/interview

Grading criteria from the written portion (worth 50% of total overall grade) and the in-person interview/presentation portion (worth 50% of total overall grade) were tallied together to find the most qualified firm.

Based on final scoring the Duluth Airport Authority staff selected EXP to move forward for final selection and contract award.

For questions regarding this procurement action please contact the undersigned.

Mark Papko, A.A.E

Director of Operations



**DULUTH AIRPORT AUTHORITY**

## Duluth International Airport

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Professional Airport Consulting Services

Request for Qualifications

Issued: March 14, 2023

Proposals Due: April 21, 2023

# REQUEST FOR QUALIFICATIONS FOR PROFESSIONAL AIRPORT CONSULTING SERVICES

## 1. Introduction

In accordance with FAA Advisory Circular 150/5100-14E and the policies and procedures of the Duluth Airport Authority (DAA) or “Authority”, notice is hereby given that a Request for Qualifications (RFQ) for professional airport consulting services is requested from firms to render services required in connection with projects at Duluth International Airport (DLH). It is the intent of the DAA to select and negotiate with one prime airport consultant for the duration of the project identified below (or 5 years).

The project(s) for this RFQ is for the planning, design, engineering, and construction phase services of a New Air Traffic Control Tower (ATCT) at the Duluth International Airport. The specific delivery method is intended to be a traditional design – bid – build but the Authority reserves the right to modify this approach.

## 2. Background

Duluth International Airport’s Air Traffic Control Tower is over 70 years old making it the 3<sup>rd</sup> oldest in the country. In addition to its age, it has many other non-compliant issues including line-of-sight, and life, health, and safety, deteriorating conditions, etc.

The DLH ATCT is operated by the FAA but owned and maintained by the DAA, making this a unique facility, not commonly found at airports in the United States. The airport will leverage a mix of funding sources to complete this project including competitive funding through the FAA’s Airport Terminal Program (ATP), State of Minnesota Bonding/Cash, as well as local DAA cash reserves. The early estimated cost of the ATCT replacement is fifty-two million dollars. This includes predesign work and a number of enabling projects.

In September of 2022, the DAA began the AFTIL (Airway Facilities Tower Integration Laboratory) process to determine the location of the new Tower. During AFTIL the Airport studied seven different locations. Of those seven locations only two locations remain as options for the future site. AFTIL is currently finalizing the site location and accompanying site requirements workbook (expected delivery in April 2023).

## 3. Current Status and Looking Forward

In January 2023, the DAA began the Environmental Assessment and Preliminary Design to include utility locates, topographic surveys, civil site preliminary design, stormwater analysis, architectural, structural, mechanical, and electrical design considerations, schematic design report and project closeout documentation. The DAA expects to receive a FONSI by early summer 2023.

The DAA plans to apply for the Federal Fiscal Year 2024 Notice of Funding Opportunity for the Airport Terminal Program. If successful and determined by the limitations imposed on the DAA by funding availability, construction may happen in multiple phases. However, the duration of this contract will remain consistent throughout the project, regardless of funding.

## 4. Scope of Services

## **REQUEST FOR QUALIFICATIONS FOR PROFESSIONAL AIRPORT CONSULTING SERVICES**

Specific categories for airport consulting services surrounding the replacement of the DLH ATCT include but are not limited to:

1. Architectural Design Services
2. Civil Engineering and Land Surveying Services (if further services are required beyond the preliminary design underway)
3. Environmental Consulting Services (if further environmental services are needed beyond the Environmental Assessment already underway)
4. Capital Financial Consulting Services
5. Project and Construction Administration Services
6. Political Engagement, Community Involvement and Public Relations

Further details are identified below:

Design Services - including programming, schematic design, design development, and construction document services:

- Provide and educate an architectural design that minimizes the need for ongoing maintenance throughout the new Tower's useful life.
- Educate a design that acknowledges the differences/requirements between airport owned towers versus that of contract/FAA owned towers.
- Leverage existing FAA standard design elements where applicable to reduce overall design cost/elements.
- Based on the FAA approval of the future ATCT site the Consultant will be requested to provide full bid documents of required improvements for the project delivery method.
- Geotechnical evaluations and surveys required for design completion.
- Coordinate and assist Owner with meeting all relevant FAA approvals, submissions, meetings, or inspections.
- Evaluate and identify existing equipment to be relocated from old to new ATCT.
- Prepare plans for demolition of old ATCT.
- Prepare and submit applicable regulatory permit applications, as required.
- Create and maintain the overall project schedule, from preliminary planning through construction completion and ATCT commissioning.
- Analyze utility impacts and design necessary relocations. Coordinate with local utilities.
- Assist the Authority with obtaining all necessary local, state, and federal construction permits (if any).
- Specify requirements for an Operational and Transition Plan from the old to new ATCT.

Supplemental Services – Bidding, Analyzing Bid Results, Material Testing, Construction Administration and Observation, Commissioning and Post Construction Warranty Inspection Services and Construction Phase Services:

- Review contractor's overall project schedule and monthly updates through construction completion and ATCT commissioning.
- Acquire FAA frequency confirmations and FCC license updates.
- Conduct and document construction progress meetings.
- Make periodic site visits by respective design disciplines to observe work for conformance to project design and specifications.
- Evaluate and respond to nonconformities, requests for information, requests for change orders to the work, etc.
- Reviewing and approving materials submittals, shop and erection drawings submitted by Contractor for compliance with design concept/drawings.



## **REQUEST FOR QUALIFICATIONS FOR PROFESSIONAL AIRPORT CONSULTING SERVICES**

- Provide an independent testing company to conduct control and testing of construction materials.
- Reviewing, analyzing, and approving laboratory and mill test reports of materials and equipment.
- Prepare and execute various reports, payment applications and documents as required.
- Review and coordinate the Operational and Transition Plan from old to new ATCT.
- Coordinate removal and re-installation of existing FAA equipment from old into new ATCT/and container unit.
- The awarded Consultant should be prepared to attend all meetings with the Authority and the FAA as required. The Authority may, at its own discretion modify, expand, or reduce the Scope of Services as the need arises.
- Other related activities, i.e., GIS, land survey, quality control and construction safety plans, photography surveys, update of ALP etc.

### **Project Closeout:**

Project close out services to include all basic services rendered after the completion of a construction contract including final inspections, punch list and a report of the completed project for FAA submission. This will include record drawings (prepared from contractor's redlines), summary of material testing, change orders, grant amendment, final financial summary, and obtaining release of liens from all contractors. The fee associated with this portion of the project will be approved under a separate Task Order issued on the base contract.

### **5. Statement of Qualifications Format/Layout**

Firms are invited to provide a Statement of Qualifications (SOQ) for the categories listed above. Generally, the format for the SOQ shall be as follows:

#### **Part I. Executive Summary**

Prefacing the submittal document, the Consultant shall provide an Executive Summary of three (3) pages or less, which gives in brief, concise terms, a summation of the submittal document. The Executive Summary shall include a brief statement of intent to perform the services, why your firm would be the best choice to provide the requested services, qualifications for selection, and signature of authorized officer of the firm who has legal authority in such transactions. Also, include the name, address and telephone number of person or persons in your organization authorized to negotiate contract terms and render binding decisions.

#### **Part II. Project Approach**

- Describe your firm's understanding of the project in its entirety, including your firm's understanding of the work involved.
- Describe the work your firm anticipates self-performing and the work you anticipate being performed by subconsultants.
- Describe your firm's management approach and methods for developing and implementing the scope of work with the airport, including how to effectively coordinate with multiple stakeholders.
- Describe your proposed methodology for determining the best value design incorporating aesthetics and building materials.
- List any challenges you have identified with the project and how your firm would work to manage them effectively.

# REQUEST FOR QUALIFICATIONS FOR PROFESSIONAL AIRPORT CONSULTING SERVICES

## Part III. Firm/Corporate Qualifications

- Provide a brief profile and history of the firm including how long the firm has been in business and a summary of the types of projects the firm specializes in including relevant experience to provide the requested services.
- List the location of the office(s) to perform the work.
- Prepare an organization chart that identifies all key personnel, including names and titles, that would perform work for this project.

## Part IV. Staff/Team Qualifications

- Provide a one-page resume for the project manager and other key personnel and describe their role(s) on the project.
- Identify proposed subconsultants including their role(s) on this project, qualifications, and related experience. Include a one-page resume for subconsultant's key staff.
- Identify the team tasked with engaging political support from both parties at the local, state, and federal levels.
- Provide maximum opportunity for DBE participation.
- Briefly describe the team's experience working together.
- Provide workload summaries for all key personnel including sub-consultants.

## Part V. Demonstrated Experience

- Describe your firm's recent relevant experience and qualifications to provide the requested services, specifically A&E and construction services for an FAA operated but airport owned tower.
- Please provide at least two (2) (but not limited to) previous projects completed by your firm or currently in progress that are similar in scope to this proposed project, or that you feel give your firm the required experience needed for this project. Do not use more than two pages per project. At a minimum, please provide the following details for each project:
  1. Project description and scope
  2. Location
  3. Owner name & contact person with telephone and email for referral purposes
  4. A&E Fees
  5. Proposed construction budget vs. actual
  6. Proposed design & construction schedules vs. actual
  7. Identification of roles (Identify Primes and Subconsultants)
  8. LEED Certification description, or other sustainability items involved
- List and describe any litigation, arbitration and/or claims filed by your firm against any project owner because of a contract dispute.
- List and describe any claim filed against your firm.
- List and describe termination from any projects.

## Part VI. Experience in LEED Certification/Environmental Sustainability

## REQUEST FOR QUALIFICATIONS FOR PROFESSIONAL AIRPORT CONSULTING SERVICES

- The Airport Authority has a strong desire to be a leader in environmental sustainability in the Airport, as well as the surrounding community and the aviation industry as a whole. Please provide a description of your experience with LEED certifications, why this should be an important component of the project, and any other information on this topic that you deem valuable.

Part VII Conceptual Rendering of the future DLH ATCT located at the proposed future ATCT location (Airport Preferred Location):

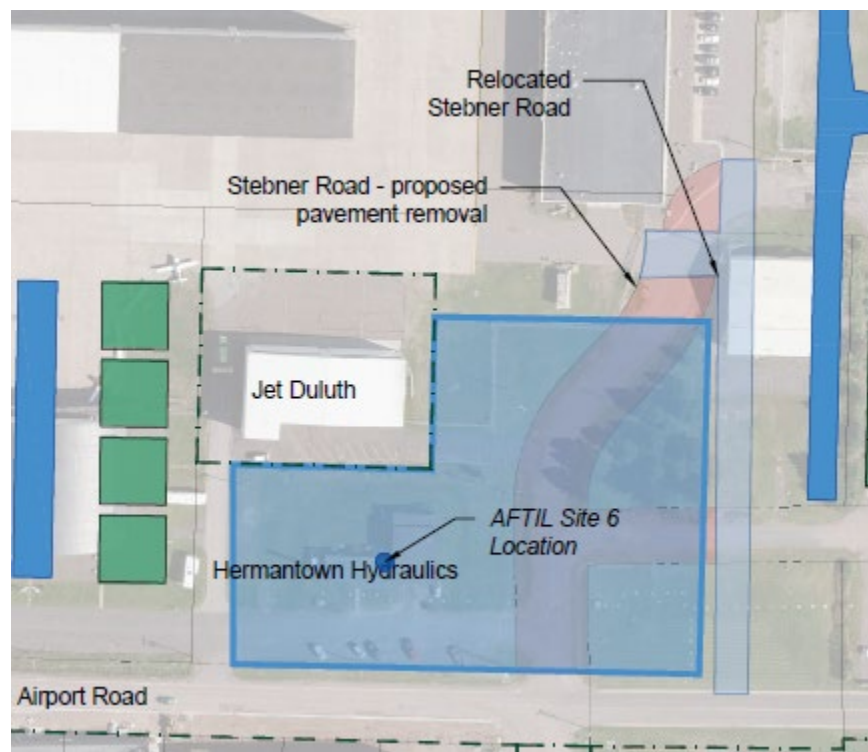
Lat: 46 50' 15.39"N

Long: 092 11' 47.56"W

Top of Tower Height: 153' Above Ground Level (Approved by AFTIL)

Eye Level of Controller: 123' Above Ground Level

Site Layout:



All qualifications statements shall be limited to 60 pages single sided pages (or 30 double sided pages). Part VII is not included in the overall 60-page limitation requirement.

### 6. Submission Guidelines

**All statements must be received at the address below no later than local time  
3:00 p.m. April 21, 2023. All proposals must be addressed to:**

Duluth Airport Authority  
RFQ Professional Airport Consulting Services  
Attn: Mark Papko  
4701 Grinden Drive  
Duluth, MN 55811

## REQUEST FOR QUALIFICATIONS FOR PROFESSIONAL AIRPORT CONSULTING SERVICES

All statements must be submitted in a sealed envelope clearly marked with RFQ Airport Consulting Services. All submittals shall include one (1) complete, original statement marked "ORIGINAL"; six (6) complete copies of the original statement; and other related documentation required by this RFQ as well as one (1) electronic copy (USB drive.). Any RFQ submittal not received by the deadline may not be considered.

**All questions concerning this RFQ shall be submitted to Mr. Mark Papko via email on or before March 30<sup>th</sup>, 2023.** Mr. Papko will respond to all parties who attended the pre-bid no later than April 3rd, 2023.

Mr. Mark Papko  
Director of Operations  
[mpapko@duluthairport.com](mailto:mpapko@duluthairport.com)

### 7. Timeline of Events

<b>*Mandatory (In-person or Virtual) Pre-Bid + Optional Tour of Future DLH ATCT Site</b>	March 28 <sup>th</sup> , 2023
<b>RFQ Questions Due</b>	March 30 <sup>th</sup> , 2023
<b>RFQ Questions Answered By</b>	April 3 <sup>rd</sup> , 2023
<b>RFQ Due Date</b>	April 21 <sup>st</sup> , 2023
<b>RFQ Presentation/Interview</b>	May 1 <sup>st</sup> – May 5 <sup>th</sup> , 2023
<b>RFQ Approval - Authority Board</b>	May 2023
<b>Agreement - Effective</b>	May 2023

\*To be sent the link to participate in the virtual Pre-bid meeting please email Mark Papko with your interest to attend at [mpapko@duluthairport.com](mailto:mpapko@duluthairport.com) prior to March 28<sup>th</sup>, 2023.

### 8. Scoring Criteria

Statements submitted by the established deadline will be evaluated based upon the following criteria:

Qualifications and competence of the firm	10%	Provide firm biography and history of the firm's aviation services business.
Experience of the firms' employees in the type of service being sought.	25%	List recent experience in similar ATCT projects and ability to meet timelines/schedules. Identification of key personnel through prime and subconsultants meet the demanding management of complex multi-phase construction projects on time and on budget.
Firms' familiarity with and proximity to the geographic location of the projects	20%	Indicate office location(s) where work will be performed and familiarity with DLH specific processes and policies.

## REQUEST FOR QUALIFICATIONS FOR PROFESSIONAL AIRPORT CONSULTING SERVICES

Knowledge and experience construction ATCT and working with personnel, policies and procedures of the ATCT construction process.	30%	Indicate ability to complete an ATCT build while working with local, state, and federal agencies including but not limited to ADO, ATO, AFTIL, RA, etc.
Firms' ability to provide political support and community involvement to assist with outreach, advocacy, funding requests, etc.	15%	Firm's history and experience of performance in assisting clients with local, state, and federal engagement in high value and/or sensitive projects.

Following submittal, the Statements of Qualifications will be reviewed and evaluated. Based upon the written submissions in response to this RFQ, the DAA will rank the firms in each criterion that it feels are most qualified to provide the required services. **At its sole discretion, the DAA may interview up to 3 top ranked proposers, or make its final selection based entirely upon the written response to the RFQ.**

### 9. Selection and Negotiation

Upon final decision of the selected firm, contract negotiations for a Professional Services Agreement will be initiated. The length of this Professional Services Agreement will be for a five (5) year term from the date of contract execution.

Based on a combination of the evaluation of the Statement of Qualifications and results of the presentation and interview, the Selection Committee shall select the highest ranked A&E firm to proceed with the development of the Scope of Work & Contract negotiations. An opportunity to provide a detailed cost estimate and an Independent Fee Estimate will be performed for the project scope before contract signing. If an agreement cannot be successfully negotiated with the highest ranked firm, negotiations may be terminated with that firm and the Authority may enter negotiations with the next highest ranked firm until an agreement is reached or an impasse is declared.

The negotiation of individual project contracts and associated fees shall occur at the time those services are needed for an approved and funded project. If a price cannot be agreed upon between the DAA and the selected firm during negotiations for each individual project contract, then the DAA reserves the right to terminate negotiations and initiate a new procurement action. Individual project contracts are limited to those projects that can reasonably be expected to be initiated within five (5) years of the date that the initial Professional Services Agreement contract is executed, unless specifically approved by the FAA.

Although the Authority encourages the Consultants to develop their own management teams, the Authority reserves the right to issue multiple contracts and select subcontractors.

Understanding the wide diversity of professional disciplines required to complete all of the above proposed projects, and to allow for the maximum participation of DBE's, additional sub consultants may be proposed, for approval by airport management, as each individual project contract is negotiated. It is the policy of the DAA that Disadvantaged Business Enterprises (DBEs) shall have the maximum opportunity to participate in the performance of contracts financed in whole or part with federal funds. All firms providing professional services for the DAA shall take



## **REQUEST FOR QUALIFICATIONS FOR PROFESSIONAL AIRPORT CONSULTING SERVICES**

all necessary and reasonable steps in accordance with 49 CFR, Part 23, to ensure that DBEs have the maximum opportunity to compete for and perform contracts without discrimination on the basis of race, creed, color, national origin, handicap, or gender.

Each firm is charged with the responsibility of making an on-site inspection of the Airports and its environs. Failure on the part of any firm to make such examination and on-site inspection shall not constitute grounds for declaration by a firm that it did not understand the conditions with respect to its SOQ. All firms are responsible for costs associated with the preparation of materials in response to this RFQ, and the DAA assumes no responsibility for any such costs.

### **10. Mandatory Disclosures.**

By submitting a proposal, each Bidder understands, represents, and acknowledges that:

1. Their proposal has been developed by the Bidder independently and has been submitted without collusion with and without agreement, understanding, or planned common course of action with any other vendor or suppliers of materials, supplies, equipment, or services described in the Request for Proposals, designed to limit independent bidding or competition, and that the contents of the proposal have not been communicated by the Bidder or its employees or agents to any person not an employee or agent of the Bidder.
2. There is no conflict of interest. A conflict of interest exists if a Bidder has any interest that would actually conflict, or has the appearance of conflicting, in any manner or degree with the performance of work on the project. If there are potential conflicts, identify the municipalities, developers, and other public or private entities with whom your company is currently, or has been, employed and which may be affected.
3. It is not currently under suspension or debarment by the State of Minnesota, any other state or the federal government.
4. The company is either organized under Minnesota law or has a Certificate of Authority from the Minnesota Secretary of State to do business in Minnesota, in accordance with the requirements in M.S. 303.03.
5. Minnesota Department of Human Rights Affirmative Action Certification:
  - A. Under MN Statute §473.144, DAA may not accept any bid or proposal for a contract or execute a contract for goods or services in excess of \$100,000 with any business having more than forty (40) full-time employees within Minnesota on a single working day during the previous twelve (12) months, unless the firm or business has an affirmative action plan for the employment of minority persons, women, and qualified disabled individuals that has been approved by the Commissioner of the Minnesota Department of Human Rights. Further, DAA may not accept any bid or proposal for a contract or execute a contract for goods or services in excess of \$100,000 with any business having more than forty (40) full-time employees on a single working day during the previous twelve (12) months in the state where the business has its primary place of business, unless the business has a certificate of compliance issued by the Commissioner of the State of Minnesota Department of Human Rights or the business certifies to DAA that it is in compliance with federal affirmative action requirements. Each firm submitting a proposal must transmit documentation indicating the firm's compliance or

## **REQUEST FOR QUALIFICATIONS FOR PROFESSIONAL AIRPORT CONSULTING SERVICES**

exemption from the above requirements.

6. Minnesota Government Data Practices Act
  - A. Data supplied in response to this RFQ by businesses, firms and individuals is governed by the Minnesota Government Data Practices Act in that:
    1. The information requested will be used to evaluate each proposer's qualifications.
    2. The proposer is not legally required to supply this information; however, failure to supply the information requested may result in the SOQ receiving lesser consideration and a determination by DAA that the SOQ is non-responsive.
    3. The public is authorized to receive information that is not classified by law as private, confidential, or non-public data. The proposer is responsible to clearly identify any data classified by law as private, confidential, or non-public data and to provide the specific basis for the classification when the data is submitted to DAA.

The DAA reserves the right to reject any and all Statement of Qualifications or to re- advertise for additional Statement of Qualifications.

## **MASTER CONSULTING TERMS AND CONDITIONS**

**THIS AGREEMENT** is made effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 2023 between Duluth Airport Authority ("Client") and EXP U.S. Services Inc. ("Consultant")

**WHEREAS** the parties have agreed upon terms and conditions under which the Consultant will perform architectural and engineering and/or other consulting services from time to time for Client, pursuant to written or verbal work orders or requests for services confirmed in writing by purchase orders issued by Client ("Services"):

**NOW THEREFORE** the parties agree that these terms and conditions will form part of each engagement of the Consultant to provide consulting services to Client, together with a project specific scope of work and purchase order as more particularly described herein.

### **1.0 Contract Documents**

- 1.1 These terms and conditions govern the services provided by the Consultant to Client from time to time.
- 1.2 These terms and conditions do not obligate Client to retain the Consultant or require the Consultant to accept any request from Client.
- 1.3 Each project that is to be carried out by the Consultant on behalf of Client will require and be governed by:
  - a) a request for services or work order that confirms the scope of services required;
  - b) a purchase order ("P.O." or "Purchase Order"); and
  - c) these Master Consulting Terms and Conditions ("MCTC").
- 1.4 Without limiting the generality of the foregoing, the following documents (collectively "Contract Documents" or "Agreement") will constitute the terms of agreement between the parties for the performance of Services in respect of a particular project:
  - a) Request for Proposal ("RFP"), or other written work order or request for services including:
    - a. A full definition of each assignment, including a scope of work with project phasing and tasks, if required.
    - b. A fee and expense schedule for each assignment.
    - c. A timeline for each assignment.
    - d. Execution by the Consultant and the Authority's Executive Director.
  - b) Written proposal or response of Consultant ("Proposal") to request described in (a);
  - c) If a Proposal or response has been provided under (b), then a mutually agreed document confirming the scope of services;
  - d) The applicable Purchase Order;
  - e) These Master Consulting Terms and Conditions, and
  - f) Any other document as is specifically identified or incorporated by reference in the applicable Purchase Order.

## **2.0 Services**

- 2.1 Consultant shall perform the Services in accordance with generally accepted professional standards. Client may stop or suspend the performance of the Services at any time. Unless occasioned by the Consultant, Client shall reimburse Consultant for its reasonable costs arising out of such stoppage or suspension.
- 2.2 Consultant shall not change or alter the Services or perform any additional Services without Client's written authorization, which authorization will not be unreasonably withheld or conditioned.
- 2.3 Client may request that Consultant provide Services to affiliates of Client from time to time, including but not limited to any corporation or partnership in which Client holds a controlling interest. Consultant agrees that the MCTC shall apply to the provision of Services to the affiliate of Client. References to "Client" refer to or include any affiliate for whom the Consultant is providing Services, when appropriate.
- 2.4 Consultant will endeavour to perform its Services using that degree of care and skill ordinarily exercised by reputable members of its profession under similar circumstances. No other warranty express or implied is made or intended.

## **3.0 Responsibility of Consultant**

- 3.1 In the performance of the Services Consultant, where applicable, shall:
- a) Appoint an authorized representative to represent and act for the Consultant.
  - b) Provide at its cost all necessary labour, machinery, equipment, tools, transportation, materials, and other items necessary for the performance and completion of the Services other than items which Client specifically agrees to furnish. Permits required for the Consultant to carry on its business shall be the responsibility of the Consultant. Unless the parties agree otherwise, Client shall be responsible for any other permits or licenses required in connection with the applicable project.
  - c) Comply with applicable legislation, regulations and codes.
  - d) Take reasonable precautions to protect the premises and those for whom the Consultant is responsible from damage or injury. Unless the parties agree otherwise, the Consultant shall not be responsible for safety of the site on which the Services are performed.

## **4.0 Remuneration**

- 4.1 Unless the parties agree otherwise, the following remuneration will apply to all Services:
- a) Consultant will invoice Client for fees and disbursements monthly for services incurred in the period.
  - b) Client will pay the Consultant its fees and disbursements in connection with Services performed under the applicable Purchase Order. The method of billing fees and disbursements will be as agreed between Client and the Consultant, confirmed in writing.
  - c) If a contingency amount is specified in addition to the amount set out in (a) above, such contingency shall be paid to the Consultant as fees or otherwise upon the prior written approval of Client, acting reasonably.
  - d) Disbursements will be in addition to the fees payable.
  - e) Invoices will be payable by Client for Services performed within thirty (30) days of receipt

of an invoice in a form agreed upon by the parties.

- f) Harmonized Sales Tax (HST), to the extent applicable, will be shown separately on all invoices and will be paid by Client to the Consultant.
- g) All invoices submitted by the Consultant to Client shall include the Purchase Order Number or other identifying information assigned by Client.

## **5.0 Time**

- 5.1 The Consultant shall perform the Services as expeditiously as is consistent with professional skill and care and the orderly progress of the work.
- 5.2 In the event of any Force Majeure, reasonable time extensions and/or fee adjustments will be allowed by Client. "Force Majeure" means an event that results in either party being delayed or unable to perform any part of its obligations under this Agreement due to labour disputes, strikes, walkouts, fire, unusual delay by common carriers, unavoidable catastrophe, or circumstances of any kind beyond the control of such party including without restricting the generality of the foregoing, acts of God, fire, war, governmental regulations. In such an event the affected party will be excused from the performance of any obligation to the extent that performance is prevented, hindered or delayed by such causes. Upon the occurrence of any such event, the affected party shall notify the other party and use reasonable efforts to remedy or correct the delay or failure to perform as soon as possible. The party delayed, hindered or prevented from performing any part of its obligations will not be liable to the other party for any damages, however sustained by the other party, or for any failure to perform any act, or non-performance of any obligations due to any of these circumstances.

## **6.0 Insurance**

- 6.1 Consultant shall maintain the following insurance coverage during the Term:
  - a) Commercial General Liability ("CGL") insurance for bodily injury (including death) property damage in the amount of ONE MILLION DOLLARS (\$1,000,000.00) limit per occurrence and in the aggregate;
  - b) Professional Liability insurance for damages arising out of errors, omissions, or negligent acts by or on behalf of the Consultant in providing professional services under this agreement in the amount of ONE MILLION DOLLARS (\$1,000,000.00) per claim and in the aggregate.
- 6.2 Consultant shall provide Client with thirty (30) days written notice of cancellation of such insurance policies.
- 6.3 Consultant shall furnish an insurance certificate as evidence of such policies and of the renewal or continuance of such insurances within thirty (30) business days of any expiry

## **7.0 Indemnification and Liability**

- 7.1 Consultant agrees to indemnify and hold harmless Client from any loss or damage for any claims or portions thereof which are determined by a court to arise from the negligence of EXP.
- 7.2 Client agrees to indemnify and hold harmless Consultant from any loss or damage for which Client is legally responsible. Client will not be liable for any bodily or personal injury or property damage suffered by Consultant, its employees, agents or sub-consultants in the performance of any Agreement, except to the extent caused by the Client.
- 7.3 In no event will either party be liable to the other for such other party's loss of profit and lost revenues or for any special, indirect, incidental or consequential damages arising out of this



agreement.

- 7.4 Consultant's aggregate liability for any and all Services performed pursuant to this Agreement shall in no event exceed the amount of fee paid by the Client. This limitation of liability shall apply to all suits, claims, actions, losses, costs and damages of any nature, including but not limited to legal fees and expenses, tort damages, contract damages, strict liability damages, liquidated damages, economic losses, penalties and fines arising from or related to this Agreement without regard to the legal theory under which such liability is imposed.

## **8.0 Independent Contractor**

- 8.1 Consultant is an independent contractor with respect to all Services performed under the MCTC and shall not be deemed to be the agent, servant or representative of Client in performance of such Services. Neither party shall be liable for the actions or omissions of the other party, except as may otherwise be stated in any applicable Agreement.

## **9.0 Confidentiality**

- 9.1 Confidential information or property of Client is not to be employed other than in the performance of Services for Client unless otherwise duly authorized by Client in writing or unless the confidential information has become part of the public domain other than by prohibited divulgence or use. This requirement does not prohibit the Consultant from complying with an order to provide information or data issued by a court or other authority with proper jurisdiction, or to act to correct or report a situation which the Consultant may reasonably believe to endanger the safety or welfare of the public.

## **10.0 Intellectual Property**

- 10.1 Provided Client is not in default of its obligations to Consultant, Consultant shall provide to Client such deliverables in respect of the Services as may be agreed upon by the parties. A deliverable includes, without limitation, a design, plan, set of record drawings or report ("Deliverable").
- 10.2 Any and all documents, plans or materials in whatever form, including electronic media (software, disks, tapes, telecommunication, etc.) prepared pursuant to or otherwise resulting from this contract are instruments of professional service and shall be and at all times remain the sole property of EXP. Client shall be entitled to retain hard copy of such documents and plans for informational use and references in connection with Client's use and occupancy of this specific property only. Computer diskettes of project documents will not be released by EXP without agreement in writing stipulating the terms and restriction of usage. Client shall have the non-exclusive license to use all software for Client's internal business use only. All raw data or Client information furnished by Client to EXP which are incorporated in or processed by the software will continue to be owned by the Client, and not EXP. EXP will not be responsible for any consequence of re-use, other use, or adaptation of such documents without EXP's express written approval.

## **11.0 Records and Audit**

- 11.1 To support all charges invoiced to Client with respect to the Services, Consultant shall maintain a complete set of records for a period of two (2) years after the performance of such Services. Consultant shall allow Client to audit such records upon reasonable request, provided that Consultant shall have the right to exclude any trade secrets, formulas, or processes from any such audit. Consultant shall require each of its sub consultants to keep such records for inspection and audit by or on behalf of Client.

## **12.0 Termination**

- 12.1 Each Agreement for Services will continue in from the date it is effective until terminated by either party on at least thirty (30) days written notice to the other. The termination of any Agreement will

not relieve either party of its respective obligations and liabilities arising from or incidental to Services performed prior to the time of such termination. An Agreement will continue in force for so long as is required to complete the Services agreed to prior to the receipt of the notice of cancellation.

### **13.0 Insolvency**

13.1 In the event either party becomes insolvent, makes an assignment for the benefit of creditors or is adjudged bankrupt or should any proceedings be instituted for the appointment of a receiver, trustee or liquidator or for a reorganization, then upon such occurrence the other party will have the right to cancel any Agreement and to terminate any Services then being performed by Consultant.

### **14.0 Legislation and Jurisdiction**

14.1 Each Agreement and the Services contemplated thereunder will be subject to the laws of the jurisdiction in which the Services are performed. It is agreed that any legal interpretation given to an Agreement will be governed by the laws of the State of [to be filled in].

14.2 Any action on any matter arising out of an Agreement shall be commenced in a court of competent jurisdiction in the State of [to be filled in].

### **15.0 Notices**

15.1 All communications and notices required or permitted to be given under an Agreement, unless otherwise specifically provided for, must be given in writing and delivered to a party as set out below:

Client:

Consultant:

Any notice or other communication will be deemed to have been given on the next following business day or deemed to have been received on the fifth business day following deposit in the mail. In times of labour strikes or slow-downs affecting the mail delivery, notice by mail will be effective only if delivered or given by other effective means or upon actual receipt. Any party may change its address for service by notice served as set out above.

### **16.0 Dispute Resolution**

16.1 If a dispute arises out of or relates to this contract and if said dispute cannot be settled through direct discussions, the parties hereto agree to first endeavor to settle the dispute in an amicable manner by mediation through the Construction Mediation Service before having recourse to arbitration or a judicial forum.

### **17.0 Assignment and Subcontracting**

17.1 Neither party shall assign any obligations under any Agreement without the prior written consent of the other, which consent will not be unreasonably withheld or conditioned. Consultant shall make commercially reasonable efforts to have any sub consultants comply with the terms and conditions of each Agreement.

### **18.0 Successors and Assigns**

18.1 Each Agreement will be binding upon and enure to the benefit of the parties and their respective heirs, executors, administrators, receivers, trustees, successors, and approved assigns.

**19.0 Waiver**

19.1 No previous waiver or course of dealing will affect either party's right to strict performance of any Agreement.

**20.0 Entire Agreement**

20.1 The Agreement between the parties for a particular project supersedes any other agreement between the parties, whether written or oral.

**21.0 Amendment**

21.1 The parties may at any time, and from time to time, alter or vary the terms of any Agreement, or of any work order or request for services and Purchase Order, including the obligations of Consultant, by mutual agreement confirmed in writing.

**22.0 Opinions of Probable Construction**

22.1 EXP's opinion of probable construction cost represent its best judgment as a design professional familiar with the construction industry and are not guarantees by EXP of actual construction cost. EXP has no control over material cost, labor, methods of construction or bid procedures. Accordingly, EXP does not warrant or represent that contractor bids will not vary from the Project budget or EXP's opinion of probable construction cost. If Client desires greater assurance of cost, Client shall engage the services of an independent construction cost estimator.

**IN WITNESS WHEREOF** the parties have executed this Agreement.

**[INSERT FULL LEGAL NAME OF CLIENT]**

**[INSERT FULL LEGAL NAME OF CLIENT]**

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

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

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

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

I have authority to bind the corporation

I have authority to bind the corporation

**EXP U.S. SERVICES INC.**

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

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

I have authority to bind the corporation



Request for Qualifications  
Professional Airport Consulting  
Services

Duluth International Airport  
Air Traffic Control Tower

DULUTH AIRPORT AUTHORITY

April 21, 2023

*ELECTRONIC COPY (USB DRIVE)*



submitted by

Exp U.S. Services Inc.

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Part I. Executive Summary



EXP has unparalleled qualifications

60+ airports worldwide

\$4B in airport projects

40+ years aviation experience

## EXECUTIVE SUMMARY

EXP is pleased to submit this Statement of Qualifications for the new Air Traffic Control Tower at the Duluth International Airport.

EXP is a full-service firm of over 4,000 professionals worldwide with all disciplines of architecture and engineering in-house. While we work across many markets, we have developed a particular focus in the Aviation market and have been working at airports across North America for over 50 years both airside and landside. Our projects include runway and taxiways, infrastructure, terminals and concourses and Air Traffic Control Towers.

This submission highlights our extensive and unique experience in the design of Air Traffic Control Towers (ATCT). EXP has designed ATCT's under direct contract with the FAA, as well as airport owned and FAA operated towers under contract with the local airport authority. EXP is keenly aware of current FAA requirements for air traffic control towers, and how to integrate these into a functional tower that also complements the skyline and the architecture of the airport and that focuses on the airport's goals and objectives, beyond just meeting FAA requirements.

### Project Approach

We have detailed in the Project Approach section how EXP's design process for this project will maintain a constant focus on budget, schedule, maintainability, and understanding of the Airport's goals and objectives. Our Project Manager will ensure a common understanding of all project parameters and constraints amongst all team members and stakeholders, and will provide clear, concise, and timely communications throughout the design and construction process.

Our Project Approach also notes that while ownership and maintenance responsibilities are indiscernible in the completed tower, we recognize that the design process is indeed different. This process necessarily balances FAA requirements with airport requirements for short term and long-term maintainability and durability, budget and schedule parameters, and aesthetics that complement the airport architecture.

### Project Team

This submission also identifies the highly skilled team of EXP professionals we are proposing for this project, all of whom have prior and current experience with the design of ATCT's. This all in-house team of EXP architects and engineers will be of particular benefit to a project such as this, where integration of building systems and architecture in a carefully coordinated manner are crucial to the success of the project, given the highly technical nature and limited area within which all systems must be routed.

In addition, and because EXP knows that designing an airport owned ATCT requires knowledge of the airport itself, we have included SEH as a key local subconsultant due to their extensive and current experience at Duluth Airport. SEH has been deeply involved in the environmental work in preparation for the new ATCT, bringing significant knowledge to the seamless progress of this project.



## Prior Experience

We have provided descriptions of several projects in this submission that identify our previous and current relevant experience that show what we will bring to this project. All of the projects are recent or current Air Traffic Control Towers, bot airport owned and FAA owned.

Our design solutions for the ATCT's at O'Hare International Airport and Peoria International Airport, which are both airport owned and FAA operated facilities, are evidence of our creative thinking as architects and engineers to find solutions that address the goals and objectives of the local airport authorities while also incorporating FAA requirements and local code requirements. These projects go beyond merely incorporating FAA requirements, orders and circulars, and integrate specific needs and desires by the local airports. This includes incorporation of specific materials, provision of life-cycle maintenance costs for various materials to aid in airport decisions, and particular aesthetic desires.

In addition, our key subconsultant SEH has extensive and current experience at DAA. This team of EXP and SEH provides a unique, but necessary, combination of local knowledge and experience at DAA and nationwide experience with control towers.

## Strengths of this Team

This team will ensure the success of this project in the eyes of the Duluth Airport Authority, the FAA project team, local air traffic controllers, and the DAA maintenance personnel. Our combined team strengths include:

- Expertise in the design of Air Traffic Control Towers;
- Expertise and depth of knowledge of DAA objectives and personnel;
- Fully integrated design team of architects and building engineers all within EXP;
- Focus on budget, schedule and maintainability by all disciplines through all project phases;
- Clear, concise and timely communications ensuring common understanding of status at all times

## Commitment

EXP and our subconsultants are committed to providing all services requested in the RFQ and has provided all identified services for other projects including for our ATCT projects. Between EXP and our team members, we have the depth of professionals and the breadth of expertise to successfully accomplish this project with DAA.

Signature of authorized officer of the firm who has legal authority in such transactions.



Timothy Neumann, AIA - Executive Vice President  
Timothy.Neumann@exp.com  
1. 312.925.1801

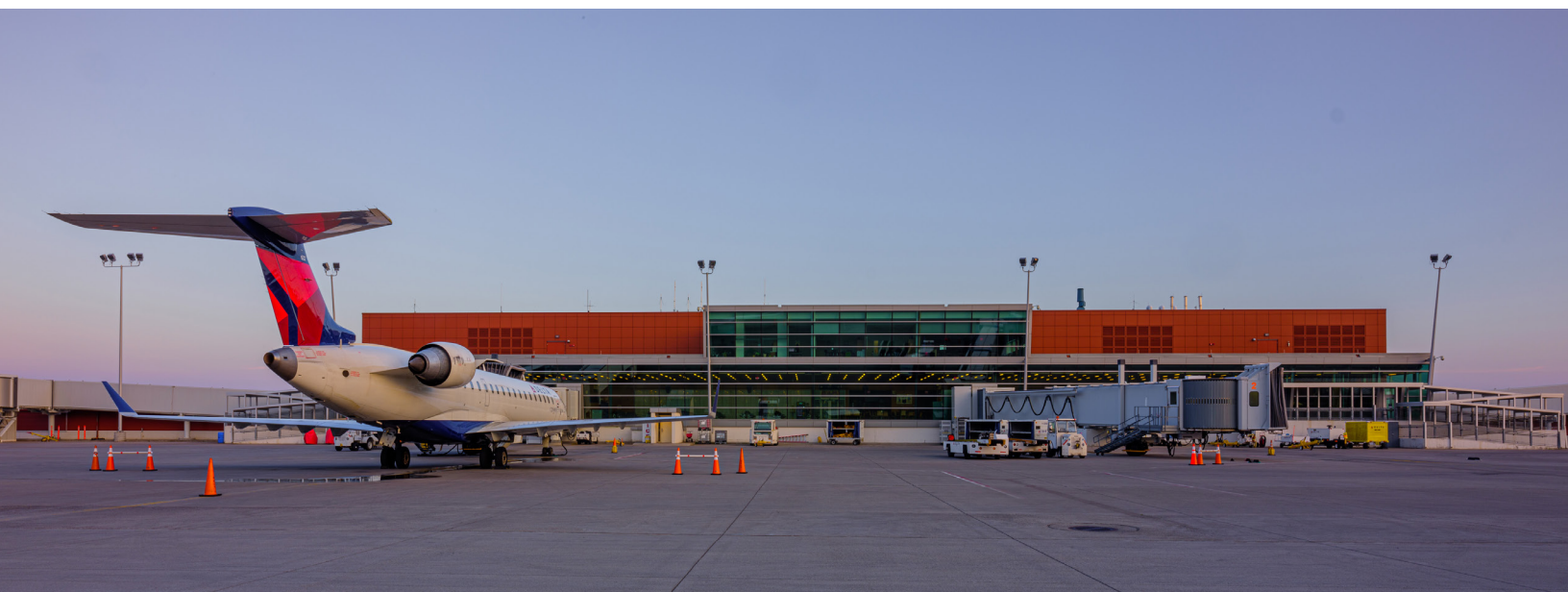
Also, include the name, address and telephone number of person or persons in your organization authorized to negotiate contract terms and render binding decisions.



Horeya Czaplewski, AIA - Project Manager  
Horeya.Czaplewski@exp.com  
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Jeffrey Jakalski, AIA - Principal-in-Charge  
Jeffrey.jakalski@exp.com  
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# 2

## Part II. Project Approach





## PROJECT UNDERSTANDING

The Duluth Airport Authority (DAA) is undertaking a significant project to replace its existing air traffic control tower. The existing tower is one of the oldest towers in the nation, is outdated and no longer serves the needs of DAA nor the FAA. The replacement tower will be more centrally located and will provide DAA and the FAA with direct line of sight to the entire airfield, will allow the FAA to orchestrate and promote safety for air traffic at the airport, and serve as a communications hub for the various FAA facilities at the airport.

We understand that this tower will be constructed, owned and maintained by the Airport under a Reimbursable Agreement with the FAA, and that the FAA will operate the tower.

We further understand that the new tower has gone through the FAA's siting study process at their AFTIL facility and has thus far progressed thru two such siting studies with two potential sites having been identified. We know that DAA and the FAA have been working together for many months to complete the environmental and programmatic stages of the ATCT development process, of which SEH has been an integral part.

The Airport is in process of obtaining partial funding for the project, and that the successful firm for this project will be required to assist the airport authority in further grant applications and tracking to obtain full funding.

Additionally, it is expected that the new ATCT will be connected to all the FAA facilities on the airport such as ILS and approach lighting systems, RTRs, and other FAA facilities. These facilities are spread across the airport and old and new ductbank will be required, and new fiber optic transmission systems (FOTS) established to replace the old systems. SHE's knowledge of the airport and airfield will be essential for development of these plans to reconnect all the FAA facilities to the new tower.

We know through prior projects for airport owned and FAA operated ATCT's that the FAA is often concerned with the airport's ability, and the ability of their design consultant, to design a functional ATCT within the budget and schedule parameters without trying to "reinvent the wheel". Thus, this type of transactional agreement requires a team that has air traffic control tower design experience as well as experience in designing facilities for local airport authorities, particularly airport owned and FAA operated ATCT's: a team that can bring comfort to both the airport and the FAA that they understand the need to successfully balance the objectives and requirements of both entities, and that will chart a path to do that. In other such projects, EXP has found success in teaming with local partners who have intimate familiarity with the local airport. For this project, EXP is partnered with SEH, creating a team with the ideal combination of national FAA and local Airport expertise to partner with DAA for delivery of this new tower.



EXP will hit the ground running as a balanced team **from day one**, ensuring all project goals, objectives and schedules will be met.

## Our Team Organization Provides:

Focus on Budget + Schedule from the start

Familiarity with DAA + FAA

Aviation expertise in all disciplines

Depth of personnel

Clear lines of communications

Focus on Design and Technical Excellence

### PERFORMANCE OF WORK


- EXP will be the Prime consultant and will provide Project Management; Architecture; Structural Engineering; Mechanical, Electrical, Plumbing and Fire Protection Engineering; Security/Telecom Engineering.
- SEH will provide Civil Engineering; utility infrastructure design; Survey; Public Outreach liaison; and advise on local code and airport standards.
- Braun Intertec will provide Geotechnical Engineering.
- Vistara Construction Services will provide cost estimating services.

### MANAGEMENT APPROACH

EXP's Management Approach is centered around our designated Project Manager. EXP's Project Manager is responsible and accountable to deliver this project within DAA's budget and schedule, and with a focus on efficiency, maintainability, and functionality. At EXP, we believe that successful Project Management begins and ends with clear, concise and timely communication – between and amongst the project team, and with DAA and other stakeholders. Successful communications will form the keystone of our management approach, along with several other factors that our Project Manager will be responsible and accountable for to ensure the success of the project for all involved, as discussed below.

### COMMUNICATIONS

- The following are examples of communication tools that our Project Manager and our entire team will utilize:
- Single Point of Contact: EXP's Project Manager will serve as DAA's single point of contact to ensure clear, consistent communications amongst all team members and stakeholders. Nothing will be "lost in translation".
- Documentation: EXP will implement an internet-based project site to house relevant project documents that will be accessible by all. In addition, we will promptly follow every meeting with meeting minutes and other documentation that will be distributed to all team members to ensure consistent and thorough understanding of discussions and decisions.
- Weekly Design Team Coordination Meetings: This allows for general and specific input from all team members, ensuring that commitments to the project are met and ensures a continuous and thorough understanding of the project scope
- Client Meetings: EXP will host regular status meetings with DAA to communicate the progress of the design, status of the schedule, review of any budget concerns, and facilitate sharing of information between the design team, DAA and other stakeholders. This will ensure that all issues are known at all times, and those responsible for specific items understand that timing required for decisions and the impact of timely input.
- Action Item List: EXP will maintain an Action Item List identifying open issues for resolution, stating the party responsible for resolution, and identify a time frame by which response is needed to keep the project on track. This List will be reviewed at each Client Meeting, so everyone knows what is needed from them at all times.



Design Discipline  
Checking +  
Correcting will be  
conducted regularly  
and look specifically  
at coordination  
between disciplines

Quality control begins with the direct proactive involvement of each discipline leader and continues with each and every architect and engineer who touches a project. Our team views QA/QC as the responsibility of every team member.

O'Hare South Traffic Control Tower came in \$2M under budget  
Estimated Cost - \$30M  
and Final Cost - \$28M

SEH will also be a key component of our team's communication process. SEH has been DAA's preferred designer for many years, a testament to their responsiveness to DAA and the effectiveness of their communications. SEH knows DLH nearly as well as DAA does and knows their processes as well. SEH will be integral with our team's communication and collaboration with DAA to make sure DAA's voice is heard and their needs met at every step of the way, as they have done for every other project. EXP will coordinate closely with SEH to be sure the entire team understands what has been effective on prior projects and to outline the way DAA will want to advance the project and incorporate their needs, especially as they relate to cost and long-term operational maintenance.

#### QUALITY MANAGEMENT

Quality Assurance and Quality Control is also an essential and integral part of our management plan. Quality control begins with the direct proactive involvement of the Principal-in-Charge, Project Managers, and every architect and engineer involved in the project. EXP views Quality as the responsibility of every team member.

Recognizing that "fresh eyes" often see things in a new or different way, we will also perform a Quality review on every project by architects and engineers who are not directly involved with the project. In this manner we verify that we have found the best way to do things and maximize our ability to discover ambiguity or inconsistency in our documents. We require that our subconsultants engage in a similar review process, and at project milestones a Quality review is undertaken with the entire document package, prior to documents being submitted for owner review. These Quality reviews are worked into our overall schedule to ensure adequate time and attention is provided for the review as well as for incorporation of any review comments, all prior to the documents being submitted to the Client for review.

#### BUDGET AND SCHEDULE MANAGEMENT

Budget and Schedule management are also key components of our Management Approach. At EXP we pride ourselves on meeting project schedules and delivering all projects within budget. Our President and our CEO have emphasized to EXP personnel that we should treat our client's money as if it were our own. Thus, all project personnel are cognizant of the cost of every design decision made, and the impact it may have on the total project budget. Cost estimates will be performed at all project milestones, but these will not serve as the only tool for understanding and communicating budget. Budgets will be understood at the start of the project and any alternatives presented to DAA will be accompanied by budget and schedule impact, if any, allowing fully informed decisions to be made.

“Your solution is too ingenious. I’m very impressed. You guys put your heads together and came up with something awesome.”

-FAA Systems Engineer

EXP is unique amongst our peers in that we have an in-house at-risk Construction Management group. This group is a part of every project we design, whether we are involved in the actual construction or not. As part of every project, our CM group participates in review of design documents at project milestones, providing reviews of constructability, phasing and sequencing, and providing input on construction cost. EXP’s CM group will perform these efforts in addition to the cost estimating that will be performed by Vistara, our cost estimating subconsultant. With feet on the ground as constructors on a daily basis, our CM group is able to provide input on real-time costs of materials and labor, which are much more accurate than books and websites. Because we involve this group at the inception of each project, we practice a process of “value design”, which ensures we are designing to budget every step of the way, rather than practice value engineering, which is often a deductive process of removing scope or quality once a project is deemed over budget.

To us cost and schedule are not an afterthought to be reviewed only at submittal milestones but are an integral part of the design process. Our cost estimates originate from the design team, as we believe it is important that designers understand the cost of what they are designing. This philosophy has resulted in our professionals being aware of the cost impact of their decisions, and how those decisions may affect the cost of another discipline. The project’s design and its budget and scope will be cost estimated and reconciled as part of the Schematic Design phase and at each subsequent phase of the design. The project budget and schedule will be reviewed at every submittal milestone to confirm the project is on track. This ensures that our design will be in compliance with the approved budget by the time the documents are issued for bid. If at any point during the design, we become aware that something about the scope, economy, design, labor availability, or other market factors is going to impact the ability to meet the budget or schedule, we will bring it to DAA’s attention immediately to make the decisions necessary to bring it back on track, including identification of potential alternate bid items.

**DEVELOPMENT AND IMPLEMENTATION OF SCOPE**

The design of the tower is critical to maintain project schedule and budget. The tower must be designed for use by the FAA, but it will also be a new identity for DAA that will significantly impact the skyline of Duluth, and benefit DAA’s operations. As the new tower will be the tallest structure at the airport, and one of the tallest in the area, it will come to define DLH for the next several decades. It is therefore imperative that the design be refined and representative of DLH and the city itself.

Thus, it will be important to develop a project scope that considers not only immediate and short-term factors, but that also considers the longevity of the impact this project will make on the airport and the city skyline. It is necessary that this development occur with the input of the airport, other stakeholders, and the public, at the discretion of the airport.

As noted above SEH is experienced at public outreach in Duluth and is ready to serve DAA in obtaining public support for this project to assist in funding. This outreach can also be a means by which to advance the new identity posed by the ATCT and solicit ideas from the city if desired. A sense of ownership by the public could be advantageous in promoting DAA’s tower project, and later projects.

**LEGISLATIVE REQUESTS AND MINNESOTA GO BOND APPLICATIONS**

Similar to how SEH assisted the DAA in successfully securing \$6.6 million in funding through a direct appropriation in 2016, the SEH team is currently assisting the DAA with a comprehensive and strategic approach to secure additional funding from the state Legislature to fund portions of the ATCT relocation and enabling projects.

SEH’s experience with bond funding will prove to be invaluable. The teams Airport staff has assisted other airports similar to DLH with all the bond requirements; from bond pre application, to B3 design and reporting, to bond closeout.

EXP’s history designing airport owned and FAA operated towers + SEH’s history working for the DAA means:



SYNERGY



EFFICIENCY



DELIVERY





ORD, SATCT | Stakeholder coordination and planning meetings

The development of the tower scope and design extends beyond the structure itself into the site and across the airport. The access, parking, and utilities for the ATCT will require specific site design, which has already been started by SEH. Their prior experience will give the project a head start, as will SEH's familiarity with local building codes and ordinances regarding drainage, parking, pavement design, and other utilities. As DAA's current on call designer, SEH not only has the awareness of the airport to quickly design the areas around the tower, but their familiarity with DAA's processes will inform and enable EXP's designs as well so they both can execute the design quickly and effectively.

### STAKEHOLDER COORDINATION

EXP believes in a fully integrated project approach, including all team members and stakeholders. We know all stakeholders can have sometimes competing objectives, though everyone has the same end goal in mind. Our approach is to get all parties around the table in regular meetings from the start, which forces all parties to understand the needs of others. It is easy to refuse to budge via email, but people are more likely to listen and consider other viewpoints when sitting across the table.

The main stakeholders of DAA and the FAA will be joined directly with the designers to develop the tower specifics over the course of design. A schedule for these steps will be laid out in a precise manner by our team so DAA and the FAA are able to plan, anticipate and prepare for each step. EXP's expertise developed over many tower projects, coupled with SEH's prior collaboration with DAA and the FAA in the environmental assessments will enable efficient stewardship of the design through the many steps in design.

### BEST VALUE DESIGN

Our team believes that "best value design" applies to the cost effectiveness of the design process, as well as the cost effectiveness of the actual project throughout its life span, ie. construction cost and life cycle cost.

Best value in the design process means having a design team that can work efficiently and effectively, and that can quickly help the airport consider alternatives, help the airport make informed decisions on the preferred alternative, and move to execution of the preferred alternative through the design process. It also means proceeding with a design that will be acceptable to both the airport and the FAA.

To facilitate this, previous designs that have been accepted and proved highly effective for the FAA may be the starting point. Such designs can serve as a prototype that can be site adapted to address any aesthetic desires of DAA, resulting in a functional tower that is acceptable to FAA while also presenting an aesthetic that is complimentary to DAA's existing facilities.

In addition, EXP will propose alternate exterior materials for DAA's consideration, comparing first cost and life cycle cost. This information will allow DAA to make informed decisions about the building's envelope based on aesthetic, energy efficiency and performance, and life cycle cost.

Similarly, EXP will provide a review of various MEP system designs and present accompanying life cycle cost analysis for DAA's review and consideration.

Best value in the construction cost means having a building design that has considered short term and life-cycle costs, including the cost of long-term maintenance of proposed building materials. It is important to consider not only the initial cost and lead time of various materials and systems, but also the cost of maintaining and potentially replacing these systems and materials over the life of a project.



**CHALLENGES AND POTENTIAL SOLUTIONS**

**CHALLENGE: WORKING IN AN ACTIVE AIRPORT ENVIRONMENT**

Proposed Solution: EXP’s team includes SEH who has intimate knowledge of airport operations and future plans and has experience working on this airport. Our team will coordinate with the airport to understand current airport functions and to develop appropriate phasing and routing plans to minimize disruptions to existing operations.

**CHALLENGE: DAA GOALS VERSUS FAA REQUIREMENTS, and VICE VERSA**

Proposed Solution: Our team brings extensive experience and intimate knowledge of DAA desires and processes, as well as depth of expertise with FAA requirements and ATCT’s.

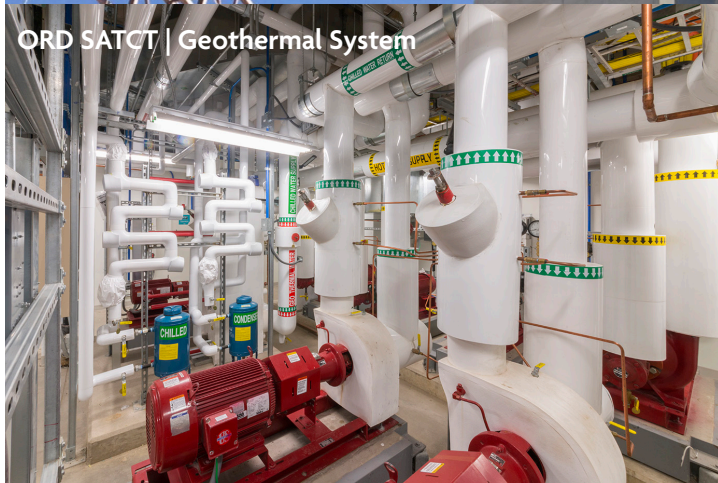
The combination of our experience will ensure that both FAA requirements and DAA’s objectives are in alignment, and none are overlooked.

**CHALLENGE: FUNDING AVAILABILITY AND PROJECT SCHEDULE**

Proposed Solution: Our team, through SEH, is familiar with the funding applications and avenues being considered and pursued by DAA. EXP and SEH are both experienced in helping our clients through grant application processes. In addition, our team can help expedite the design process and develop early bid packages and multiple bid packages depending on funding availability.

**CHALLENGE: LONG LEAD TIMES MAY DELAY CONSTRUCTION**

Proposed Solution: Our team will inquire within the industry, and advise DAA accordingly, of any potential long lead items early in the design process. We can develop early bid packages to allow early procurement of such items. Alternatively, EXP’s in-house Construction Management group has pre-purchased long lead items such as air handling units and electrical switchgear for other clients, and stored them for turnover to the contractor at a later date.



## CONCLUSION

EXP and SEH are the best team for this project because we not only have excellent relationships with the two most important stakeholders in this project – DAA and FAA – but we also have proven successful processes for delivering projects with DAA and FAA. These processes are based on communication and collaboration by and amongst all team members and stakeholders.

EXP will provide the expertise for the tower design as it relates to the FAA's needs, and SEH will provide the understanding of DAA's needs, objectives and processes. EXP's experience and relationships with the FAA at all levels and technical groups, including the AFTIL process, will ensure the FAA that their operational requirements will be met and the tower will function as required. EXP has honed our ATCT designs through collaboration with the FAA on several recent and current projects, so all the current requirements and preferences are understood and can be applied immediately and efficiently. In addition, EXP is currently working in the same region and with the same FAA personnel on other ATCT's, and thus have established relationships and communications protocols with these personnel.

Our team of EXP and SEH together will ensure an understanding and focus by our entire team that this project must succeed for both entities for the project to be considered a success.

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“I want to thank you and the team for a job well done. It's truly a relief to see your team's responsiveness. Keep up the good work.”

-Project Administrator, Chicago Department of Aviation





# 3

## Part III. Firm/Corporate Qualifications



## BRIEF COMPANY PROFILE

Exp U.S. Services Inc. (EXP) has been in business over 117 years via heritage companies and employs 4000+ professionals worldwide.

EXP has over 50 years of experience providing architectural and engineering services to airports of all sizes, from regional airports to primary commercial hub airports, ranging from small-scale renovations to full terminal expansions and modernizations. We have worked at more than 60 airports worldwide. EXP's background covers work in both secure and non-secure areas, security checkpoint expansions, passenger trafficked concourses and consolidations, air traffic control towers, highly specialized baggage facilities, mechanical and electrical renovations and upgrades, concessions expansions and renovations, hangar developments, ground equipment maintenance facilities, automated people movers, parking garages, runways and taxiways.

Since our first Air Traffic Control Tower design, EXP has become a highly regarded ATCT design firm and trusted advisor to the FAA. Our design for the South Air Traffic Control Tower at O'Hare International Airport is being adapted by the FAA to become their new standard due to its low cost, elegant appearance and ease of accommodating current equipment and cabling as well as flexibility for future changes.

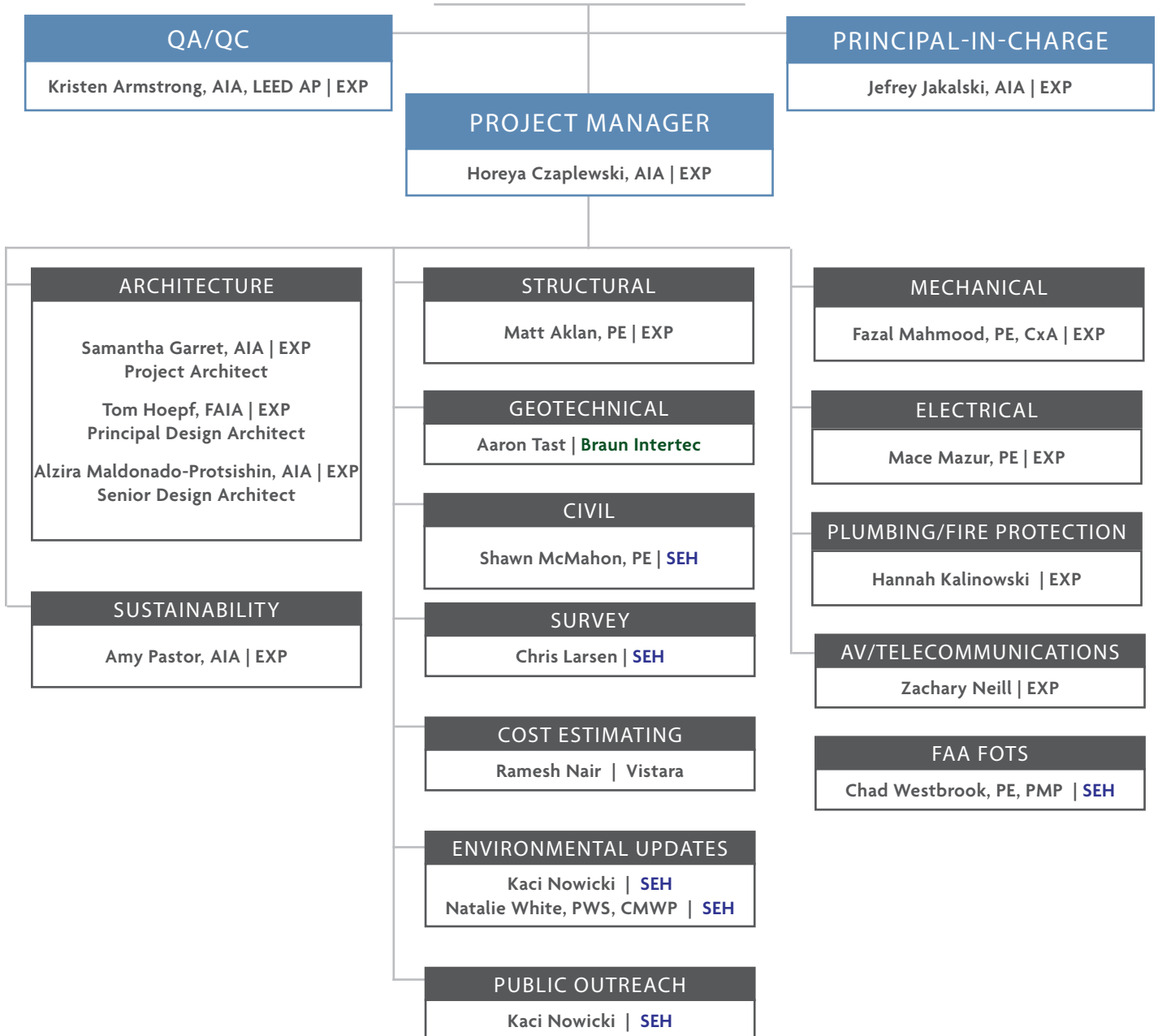
## LOCATION OF OFFICE TO PERFORM WORK

EXP has assembled a team that represents the best talent in Aviation and Air Traffic Control Tower Design, all of whom are in our Chicago office. EXP's Chicago office is our Aviation Center of Excellence, where we draw upon our technical expertise and excellence. While EXP has several effective communication tools for remote collaboration, it is important to note that DAA has direct flights daily to ORD, so in-person meetings for collaboration will be easy to facilitate.

## ORGANIZATIONAL CHART

An organizational chart that identifies all key personnel that would perform the work is including on the following page.





# 4

## Part IV. Staff/Team Qualifications







20+

average number of years  
aviation experience by key  
personnel



## PROFESSIONAL QUALIFICATIONS + SPECIALIZED EXPERIENCE OF KEY PERSONNEL

Our Key Personnel proposed for this project are identified below, with a summary of their qualifications and experience.

**Principal-in-Charge | Jeffrey D. Jakalski, AIA** | This project will be overseen by Jeffrey D. Jakalski, AIA, Senior Vice President and Director of EXP's North American Buildings Group and a Principal with the firm. Jef has been with EXP and our former legacy companies for over 30 years and has been involved in aviation projects his entire career. Jef has served as Principal-in-Charge on projects for over 20 years, and understands the unique nature of working in active airfield environments. Jef has worked on all projects presented herein, as well as numerous other Aviation and Air Traffic Control Towers.

**Project Manager | Horeya Czaplewski, AIA** is the project manager proposed for this contract. Horeya has worked on Aviation projects for over 20 years. She is an accomplished Project Manager and has managed dozens of Aviation projects successfully that have achieved client objectives within budget and schedule parameters, including projects for CDA and for DFW. Horeya is adept at managing complex, multi-discipline projects involving multiple stakeholder groups. Horeya has served as Project Manager on several Air Traffic Control Towers.

**Lead Design Architect | Thomas Hoepf, FAIA** is EXP's Principal Designer, and has served as Design Manager or Lead Design Architect on all of EXP's aviation projects, and has served in this role for over 25 years. Tom understands how to integrate the design efforts of all disciplines to achieve a coordinated and cohesive whole. Tom has worked on all projects presented herein, as well as numerous other Aviation and Air Traffic Control Towers.

**Project Architect | Samantha Garret, AIA** has over 10 years of experience on design of various restoration and new construction facilities. Sam is one of EXP's strongest aviation architects, as she has worked on nearly all of our aviation projects in the last 10 years. Sam has experience working on all relevant Air Traffic Control Tower Projects.

**Structural Engineering Lead | Matt Aklan, PE** has nearly 25 years of experience in managing large and complex multi-discipline engineering projects, from preliminary design through final construction. His specialties include new structural design, detailing rehabilitation or retrofit designs, structural assessments, and construction support of transit facilities and buildings, bridges, and transit facilities and structures. Mr. Aklan has over 25 years developing engineering contract documents, field assessments, technical evaluations, failure analyses, engineering and construction cost estimates, technical specifications, and all facets of construction phase services. Matt has experience working on all relevant Air Traffic Control Tower Projects.

**Mechanical Engineering Lead | Fazal Mahmood, PE** Fazal is the Mechanical Engineer proposed for this contract. Fazal has over 30 years of experience on numerous project types, including on aviation projects. Fazal has been Lead Mechanical Engineer on nearly all of EXP aviation projects. Fazal has experience working on all relevant Air Traffic Control Tower Projects.

**Electrical Engineering Lead | Maciej (Mace) Mazur, PE** Mace has over 8 years of experience as an electrical engineer. His project experience includes lighting and electrical systems design for a variety of facilities. He has worked on projects

including aviation facilities, office buildings, vehicle maintenance facilities, exterior sitework, and roadway facilities. Mace has experience working on all relevant Air Traffic Control Tower Projects.

**Plumbing/Fire Protection Engineering Lead | Hanna Kalinowski** has over 25 years of plumbing and fire protection experience for a range of public and private sector projects. Her work encompasses both new construction and renovation projects, which include aviation, institutional, commercial, communications, and health care facilities. Hanna's work experience includes site visits, cost estimating, preparing construction documents and reviewing contractor's submittals. Hanna has experience working on all relevant Air Traffic Control Tower Projects.

**AV/Telecommunications Lead | Zachary Neill** Mr. Neill is a technology designer for aviation, rail + transit, telecommunication and mission critical facilities. Zach has experience designing a variety of technology systems including structured cabling infrastructure, integrated audio-video systems for conference rooms and classrooms, CATV systems, public address and intercom systems, sound masking systems, access control, intrusion detection, and video surveillance. Zach is experienced in coordinating the Building Information Model (BIM) between multiple disciplines as both the prime and MEP contract. He is also proficient in designing and providing construction documents in either a 2D or 3D environment through AutoCAD, or Revit. Zachary has experience working on all relevant Air Traffic Control Tower Projects.

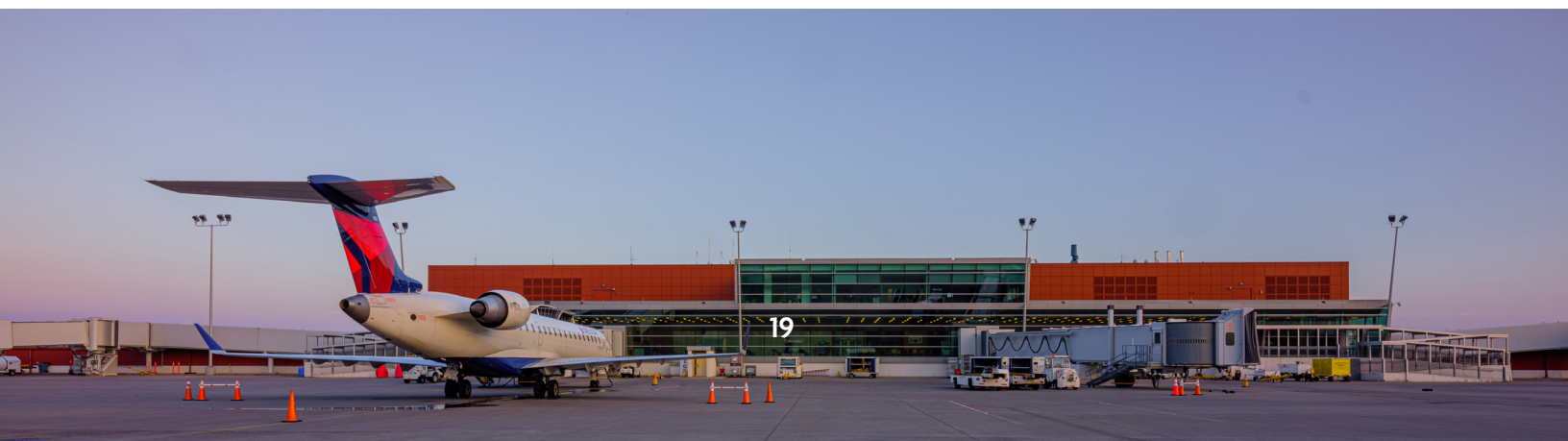
**Civil Lead | SEH | Shawn McMahan, PE** leads SEH's airport planning and design practice. He is a project manager experienced in design and construction of airport infrastructure projects including runways, taxiways, aprons, hangars, airport buildings, and NAVAIDs. Shawn is also the chief corporate pilot for SEH. He flies a twin engine Piper Navajo and a Beechcraft King Air 200 to support clients' needs. He has over 5,000 flight hours, most of which come from six years of service in the U.S. Air Force as a C-17A Globemaster Instructor Pilot. Shawn will support the EXP project team by providing a local presence, knowledge of DAA policies and procedures, and connected stakeholder engagement with key partners on the Duluth International Airport. Shawn will lead communication and coordination of all SEH deliverables as part of the EXP team, and be responsible for all quality leadership, accountability, and quality control.

**Survey Lead | SEH | Chris Larsen, PLS** is a senior professional land surveyor with extensive experience in Public Land Survey System remonumentation, right-of-way plats, subdivision plats, registered land surveys, and common interest community plats. He is experienced and knowledgeable in the interface and interaction of landowners and developers with county land records systems and approval processes. Chris has coordinated survey work at both Duluth International and Sky Harbor. Chris is based in SEH's Duluth office and can leverage his experience throughout the Duluth area to provide accurate and timely information to the design team.

**FAA FOTS | SEH | Chad Westbrook, PE, PMP** is an electrical engineer with experience that includes preparation of studies, construction drawings, and construction administration. He is also an experienced project manager who has been responsible for project budget, scope, and schedule for many of these projects. Chad has prepared construction drawings and specifications and provided construction administration through all project phases. Chad's technical experience includes facility power distribution and generation systems; facility and outdoor lighting, fire alarm detection and notification, communication systems, and security systems.

**Geotechnical | Braun Intertec | Aaron Tast** has led approximately 20 projects at Duluth International Airport since 2015. These projects include geotechnical, environmental and construction materials services for a variety of structures including runways, taxiways, aprons and hangars.

**Cost Estimating | Vistara | Ramesh Nair** Mr. Nair functions as a Project Executive in all aspects of Construction Management Services for Vistara Construction Services. He is responsible for the Coordination, Quality & Cost Control aspects for large institutional and commercial developments. He has over 25 years of experience in the construction industry.





## IDENTIFICATION OF SUB CONSULTANTS AND THEIR ROLE ON PROJECT



SEH will provide Civil Engineering, Survey, Public Outreach for this project. SEH has been a project partner with the Duluth Airport Authority, providing engineering and environmental consulting services since 2007. During that time we have successfully completed significant infrastructure projects at both Duluth International Airport and the Sky Harbor Airport. From large and complex projects, such as Taxiway A reconstruction, to day-to-day guidance such as instrument approach procedure coordination and stormwater pollution prevention plans, SEH has consistently provided timely and expert guidance. In addition, SEH has been delivering professional planning, architecture, and engineering services to the City of Duluth and area communities and counties for more than 50 years.



Braun Intertec will provide geotechnical engineering for this project. Braun Intertec specializes in geotechnical engineering, environmental consulting, construction materials testing, nondestructive examination, and building/structures sciences. Using our interdisciplinary approach, our experience and commitment to excellence delivers results—from planning to design and construction, to ongoing management and operations. Braun's aviation specialists, Aaron Tast and Joe Butler, have led approximately 20 projects at Duluth International Airport since 2015. These projects include geotechnical, environmental and construction materials services for a variety of structures including runways, taxiways, aprons and hangars.



Vistara will provide Cost Estimating services for this project. Vistara is a Chicago-based minority owned firm, incorporated in 1994, that provides project control including cost estimating services, construction management, and owner's representation. EXP and Vistara have a long standing relationship working together for several years on projects, including Air Traffic Control Towers at various airports including ORD.

## IDENTIFICATION OF PUBLIC OUTREACH AND POLITICAL SUPPORT

The EXP team already has connections at the local level through our partner SEH, and will identify and establish relationships with others at the state and federal levels to enable our team to effectively assist in funding and project approvals. Local funding will require support from the public, an endeavor in which SEH can further assist DAA through public outreach and lobbying to explain the purpose and benefit the new tower will bring to the public.

## STATEMENT OF DBE - PROVIDE MAXIMUM OPPORTUNITY FOR DBE PARTICIPATION

While we have not included any DBE firms as part of our team at this time, we understand the importance of meaningful roles for DBE firms, and should it be required by funding sources or the Airport, we are fully prepared to engage additional DBE firms.

To further back our commitment, EXP's heritage company, Teng + Associates, founded in 1959 by Dr. Wayne Teng and his wife Eleanor, began as a small business and Minority-Owned Business Enterprise. We understand the benefit of creating a team culture that is about more than just tracking numbers, and that truly offers opportunities for challenging participation and growth.

## TEAM'S EXPERIENCE WORKING TOGETHER

EXP and SEH have not worked together previously.

EXP and Braun Intertec have not worked together previously, but SEH and Braun have completed several projects together.

EXP and Vistara have worked on numerous projects together, including on several Airport Traffic Control Towers.

## WORKLOAD SUMMARY

NAME OF INDIVIDUAL/FIRM	PRESENT WORKLOAD	AVAILABILITY FOR THIS PROJECT
Jefrey Jakalski, AIA   EXP	<ul style="list-style-type: none"> <li>Peoria ATCT</li> <li>GFK ATCT</li> </ul>	25%
Horeya Czaplewski, AIA, NCARB, LEED AP BD+C   EXP	<ul style="list-style-type: none"> <li>Peoria ATCT</li> <li>MARTA Indian Creek Station</li> </ul>	100%
Thomas Hoepf, FAIA   EXP	<ul style="list-style-type: none"> <li>Peoria ATCT</li> <li>GFK ATCT</li> </ul>	75%
Samantha Garret, AIA   EXP	<ul style="list-style-type: none"> <li>Peoria ATCT</li> <li>GFK ATCT</li> </ul>	75%
Matt Aklan, PE   EXP	<ul style="list-style-type: none"> <li>GFK ATCT</li> <li>Des Moines ATCT</li> </ul>	75%
Fazal Mahmood, PE, CxA, LEED AP   EXP	<ul style="list-style-type: none"> <li>Peoria ATCT</li> <li>GFK ATCT</li> </ul>	75%
Maciej Mazur, PE   EXP	<ul style="list-style-type: none"> <li>Peoria ATCT</li> <li>GFK ATCT</li> </ul>	75%
Hanna Kalinowski, AIA   EXP	<ul style="list-style-type: none"> <li>Peoria ATCT</li> <li>GFK ATCT</li> </ul>	75%
Zachary Neill,   EXP	<ul style="list-style-type: none"> <li>Peoria ATCT</li> <li>GFK ATCT</li> </ul>	75%
Shawn McMahon, PE   SEH	<ul style="list-style-type: none"> <li>Various Projects</li> </ul>	50%
Chris Larsen, PLS   SEH	<ul style="list-style-type: none"> <li>Various Survey Projects</li> </ul>	50%
Chad Westbrook, PE, PMP   SEH	<ul style="list-style-type: none"> <li>Various Projects</li> </ul>	50%
Aaron Tast,   Braun Intertec	<ul style="list-style-type: none"> <li>Various Projects</li> </ul>	50%
Ramesh Nair   Vistara	<ul style="list-style-type: none"> <li>Various Projects at ORD</li> </ul>	25%

## ONE PAGE RESUME FOR KEY PERSONNEL

Resumes are included for the Key Personnel identified above, included on the following pages.

## Jefrey Jakalski, AIA

Principal-in-Charge | EXP



### Professional Registrations + Certifications

Registered Architect: IL, MO, TX, GA, IA, ND, SC, OK, FL, Guam, Saipan

### Education + Training

Bachelor of Architecture, Ball State University, Muncie, Indiana, 1988

B.S., Environmental Design, Ball State University, Muncie, Indiana, 1988

- Project Principal on all relevant project experience included
- Intimately familiar with all Federal and other airport related agencies
- Leads multi-discipline teams on major aviation projects

**30+**  
years of aviation  
experience

Jefrey Jakalski leads the management and strategic planning of EXP's buildings practice. With over 30 years of experience in the industry, he is known by clients and colleagues for his strong team leadership skills and his proven hands-on approach on the projects that he oversees. As Senior Vice President at EXP, Jef is serving as Principal-in-Charge on all EXP's work across multiple markets including aviation. Jef's leadership on numerous, successful, large-scale aviation projects, and knowledge of working in active, secure environments, positions him well to be principal in charge of this team.

### Project Experience

#### Chicago Department of Aviation, South Air Traffic Control Tower, Chicago, IL LEED Gold

EXP provided full architectural and engineering services for the new South Air Traffic Control Tower (SATCT) at O'Hare International Airport. The new SATCT serves runway 10R-28L and includes a 207-foot tall tower and 9,943 SF base building. The innovative design provided a simple, economical and durable solution to meet the operational needs of the FAA, while at the same time, addressed the interest of the City of Chicago in creating an elegant, iconic image. The tower achieved LEED gold certification.

#### Wayne A. Downing International Airport, Air Traffic Control Tower, Peoria, IL

EXP was selected to design the new replacement Air Traffic Control Tower at the General Wayne A. Downing Peoria International Airport in Peoria, Illinois. The new tower will stand at over 135 feet to meet the current standards set by the FAA as the original 87-foot tower was built under the standards of the mid-20th century.

#### FAA, Indianapolis International Airport Air Traffic Control Tower, Indianapolis, IN

EXP provided architecture and engineering design services (including Interior Design, Civil, Structural, MEP, Communications + RF/Radar Technology, Security, A/V Systems, Fire Protection and Network Engineering. The Tower is a landmark, visible from miles around, and symbolizes the airport as a Gateway to Indianapolis. The local press has dubbed it the "Jewel of Indianapolis".

#### FAA, Grand Forks International Airport Air Traffic Control Tower, Grand Forks, ND

162' Intermediate activity ATCT w/ 20,000 sf Base building at the Grand Forks International Airport. Due to the high volume of daily flights for UND's Flight Training School, GFK is often the busiest ATCT in the country.

#### FAA, Greenville-Spartanburg International Airport Air Traffic Control Tower, Greer, SC

EXP was selected for the design of an intermediate activity level ATCT (Airport Traffic Control Tower) and approximately 16,000 square foot TRACON base building at the Greenville Spartanburg International Airport (GSP) in Greer, South Carolina.

## Horeya Czaplewski, AIA, NCARB, LEED AP BD+C

Project Manager | EXP



### Professional Registrations + Certifications

Licensed Architect: IL, TX

NCARB Certified

LEED AP BD+C

### Education + Training

Bachelor of Architecture, University of Texas, 2003

- Project management philosophy places emphasis on collaborative communication, integrated design and innovative solutions from each discipline
- Experience working in complex environment of operational facilities, including multiple airports

**18+**  
years experience

Horeya brings over 15 years of comprehensive experience in both new and renovation projects focusing on architectural design, construction documents, construction administration and project management. Her experience includes creating construction documents (from schematic design through project completion), BIM, project management, discipline coordination and client interface. Horeya has been greatly involved in professional organizations, especially the AIA and various state organizations. She was the recipient of several AIA awards, including the TSA (Texas Society of Architects) Award.

### Project Experience

#### Chicago Department of Aviation, South Air Traffic Control Tower, Chicago, IL

##### LEED Gold

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EXP was selected for the design of an intermediate activity level ATCT (Airport Traffic Control Tower) and approximately 16,000 square foot TRACON base building at the Greenville Spartanburg International Airport (GSP) in Greer, South Carolina.



# Thomas Hoepf, FAIA

Lead Design Architect | EXP



## Professional Registrations + Certifications

Registered Architect: IL, OH, VA, Ontario, Canada

## Education + Training

Master of Architecture, University of Texas, Arlington, Texas, 1986

B.S., Architecture, Ohio State University, Columbus, Ohio, 1983

- Award-winning designer with nationally recognized aviation and transportation design expertise
- Recognized for creating transit facilities that are efficient, functional and maintainable, as well as beautiful enduring public places that contribute to the life of the city

**25**  
design awards

Thomas Hoepf, FAIA is Senior Vice President and Design Director at EXP. His experience includes a broad range of project types in new construction and complex renovations for public and private sector clients. With nationally recognized transportation design expertise, Tom led the design on range of complex high-profile projects including the award-winning South Air Traffic Control Tower and American Airlines G Concourse at ORD. As Design Director, Tom is responsible for design on all architectural projects. His involvement begins at the early conceptual stages, and remains through construction. As a creative problem-solver Tom thinks strategically about the big picture and the small details.

## Project Experience

### Chicago Department of Aviation, South Air Traffic Control Tower, Chicago, IL LEED Gold

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## Samantha Garret, AIA

Project Architect | Architectural Designer | EXP



### Professional Registrations + Certifications

Registered Architect: IL

### Education + Training

Master of Architecture, University of Illinois at Urbana-Champaign, 2014

Master of Science in Civil and Environmental Engineering, University of Illinois at Urbana-Champaign, 2014

Bachelor of Science in Architectural Studies, University of Illinois at Urbana-Champaign, 2012

- Project Architect on all relevant project experience included
- Understands the complexities associated with working in active airport environments

**10+**  
years of aviation  
experience

Samantha has over 10 years of experience on design of various restoration and new construction facilities. Sam is one of EXP's strongest aviation architects, as she has worked on nearly all of our aviation projects in the last 10 years. She is well versed in AutoCad and Revit and has completed projects utilizing both of these programs. She has also been involved in the design and production of various restoration and new construction projects.

### Project Experience

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## Matt Aklan, PE

Structural Engineer | EXP



### Professional Registrations + Certifications

Professional Engineer: IL, MD, DE, VA, DC

### Education + Training

B.S., Civil Engineering, Lehigh University, 1996

- Extensive experience working on projects in occupied facilities with complex phasing
- Experience on aviation projects both airside and landside

**25+**  
years of experience as a structural engineer

Matthew Aklan is a Senior Structural Engineer with experience in managing large and complex multi-discipline engineering projects, from preliminary design through final construction. His specialties include new structural design, detailing rehabilitation or retrofit designs, structural assessments, and construction support of transit facilities and buildings, bridges, and transit facilities and structures. Mr. Aklan has over 25 years developing engineering contract documents, field assessments, technical evaluations, failure analyses, engineering and construction cost estimates, technical specifications, and all facets of construction phase services.

### Project Experience

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#### FAA, Indianapolis International Airport Air Traffic Control Tower, Indianapolis, IN

EXP provided architecture and engineering design services (including Interior Design, Civil, Structural, MEP, Communications + RF/Radar Technology, Security, A/V Systems, Fire Protection and Network Engineering. The Tower is a landmark, visible from miles around, and symbolizes the airport as a Gateway to Indianapolis. The local press has dubbed it the "Jewel of Indianapolis".

#### FAA, Grand Forks International Airport Air Traffic Control Tower, Grand Forks, ND

162' Intermediate activity ATCT w/ 20,000 sf Base building at the Grand Forks International Airport. Due to the high volume of daily flights for UND's Flight Training School, GFK is often the busiest ATCT in the country.

#### FAA, Greenville-Spartanburg International Airport Air Traffic Control Tower, Greer, SC

EXP was selected for the design of an intermediate activity level ATCT (Airport Traffic Control Tower) and approximately 16,000 square foot TRACON base building at the Greenville Spartanburg International Airport (GSP) in Greer, South Carolina.

## Fazal Mahmood, PE, CxA, LEED AP

Lead Mechanical Engineer | EXP



### Professional Registrations + Certifications

Professional Engineer: IL, MO  
 Certified Commissioning Authority  
 LEED Accredited Professional  
 Member ASHRAE

### Education + Training

M.S., Mechanical Engineering,  
 University of Connecticut, Storrs, CT,  
 1979

B.S., Mechanical Engineering,  
 N.E.D. University of Engineering &  
 Technology, Pakistan

- Managed complex mechanical renovation and new design projects throughout US
- Lead Mechanical Engineer on all relevant projects

# 30+

years of aviation  
 experience

Fazal has over 30 years of mechanical engineering experience. His experience includes project management, establishment of the scope of work and contract budget, coordination of all aspects of the project with the client, preparation of studies and reports, preparation of construction drawings and cost estimates, specification writing, shop drawing review and field observation. Fazal specializes in the design of airport, federal, commercial and health care facilities.

### Project Experience

#### Chicago Department of Aviation, South Air Traffic Control Tower, Chicago, IL LEED Gold

EXP provided full architectural and engineering services for the new South Air Traffic Control Tower (SATCT) at O'Hare International Airport. The new SATCT serves runway 10R-28L and includes a 207-foot tall tower and 9,943 SF base building. The innovative design provided a simple, economical and durable solution to meet the operational needs of the FAA, while at the same time, addressed the interest of the City of Chicago in creating an elegant, iconic image. The tower achieved LEED gold certification.

#### Wayne A. Downing International Airport, Air Traffic Control Tower, Peoria, IL

EXP was selected to design the new replacement Air Traffic Control Tower at the General Wayne A. Downing Peoria International Airport in Peoria, Illinois. The new tower will stand at over 135 feet to meet the current standards set by the FAA as the original 87-foot tower was built under the standards of the mid-20th century.

#### FAA, Indianapolis International Airport Air Traffic Control Tower, Indianapolis, IN

EXP provided architecture and engineering design services (including Interior Design, Civil, Structural, MEP, Communications + RF/Radar Technology, Security, A/V Systems, Fire Protection and Network Engineering. The Tower is a landmark, visible from miles around, and symbolizes the airport as a Gateway to Indianapolis. The local press has dubbed it the "Jewel of Indianapolis".

#### FAA, Grand Forks International Airport Air Traffic Control Tower, Grand Forks, ND

162' Intermediate activity ATCT w/ 20,000 sf Base building at the Grand Forks International Airport. Due to the high volume of daily flights for UND's Flight Training School, GFK is often the busiest ATCT in the country.

#### FAA, Greenville-Spartanburg International Airport Air Traffic Control Tower, Greer, SC

EXP was selected for the design of an intermediate activity level ATCT (Airport Traffic Control Tower) and approximately 16,000 square foot TRACON base building at the Greenville Spartanburg International Airport (GSP) in Greer, South Carolina.



## Maciej Mazur, PE

Lead Electrical Engineer | EXP



### Professional Registrations + Certifications

Professional Engineer: IL

### Education + Training

B.S., Electrical and Electronic Engineering, University of Illinois at Chicago, 2013

- Intimately familiar with FAA design criteria and Advisory circulars related to Aviation Electrical systems.
- Electrical Engineer on all relevant project experience included

# IES

sustainable lighting  
committee advisory  
member

Mace has over 8 years of experience as an electrical engineer. His project experience includes lighting and electrical systems design for a variety of facilities. He has worked on projects including office buildings, aviation facilities, vehicle maintenance facilities, exterior sitework, and roadway facilities.

### Project Experience

#### Chicago Department of Aviation, South Air Traffic Control Tower, Chicago, IL LEED Gold

EXP provided full architectural and engineering services for the new South Air Traffic Control Tower (SATCT) at O'Hare International Airport. The new SATCT serves runway 10R-28L and includes a 207-foot tall tower and 9,943 SF base building. The innovative design provided a simple, economical and durable solution to meet the operational needs of the FAA, while at the same time, addressed the interest of the City of Chicago in creating an elegant, iconic image. The tower achieved LEED gold certification.

#### Wayne A. Downing International Airport, Air Traffic Control Tower, Peoria, IL

EXP was selected to design the new replacement Air Traffic Control Tower at the General Wayne A. Downing Peoria International Airport in Peoria, Illinois. The new tower will stand at over 135 feet to meet the current standards set by the FAA as the original 87-foot tower was built under the standards of the mid-20th century.

#### FAA, Indianapolis International Airport Air Traffic Control Tower, Indianapolis, IN

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#### FAA, Grand Forks International Airport Air Traffic Control Tower, Grand Forks, ND

162' Intermediate activity ATCT w/ 20,000 sf Base building at the Grand Forks International Airport. Due to the high volume of daily flights for UND's Flight Training School, GFK is often the busiest ATCT in the country.

#### FAA, Greenville-Spartanburg International Airport Air Traffic Control Tower, Greer, SC

EXP was selected for the design of an intermediate activity level ATCT (Airport Traffic Control Tower) and approximately 16,000 square foot TRACON base building at the Greenville Spartanburg International Airport (GSP) in Greer, South Carolina.

## Hanna Kalinowski, AIA

Plumbing/Fire Protection Engineer | EXP



### Education + Training

Master of Science, Engineering,  
Institute of Technology, Poland, 1983

Courses in Plumbing Design, New York  
University, New York, 1984

ANSUL Foam Fire Suppression  
Systems, Design & Application, 2011

- Understands the complexity of FAA projects and implements solutions on all projects
- Intimately familiar with Advisory circulars related to Aviation Plumbing and Fire Protection Systems

**25+**  
years of aviation  
experience

Hanna has over 25 years of plumbing and fire protection experience for a range of public and private sector projects. Her work encompasses both new construction and renovation projects, which include aviation, institutional, commercial, communications, and health care facilities. Hanna's work experience includes site visits, cost estimating, preparing construction documents and reviewing contractor's submittals.

### Project Experience

#### Chicago Department of Aviation, South Air Traffic Control Tower, Chicago, IL LEED Gold

EXP provided full architectural and engineering services for the new South Air Traffic Control Tower (SATCT) at O'Hare International Airport. The new SATCT serves runway 10R-28L and includes a 207-foot tall tower and 9,943 SF base building. The innovative design provided a simple, economical and durable solution to meet the operational needs of the FAA, while at the same time, addressed the interest of the City of Chicago in creating an elegant, iconic image. The tower achieved LEED gold certification.

#### Wayne A. Downing International Airport, Air Traffic Control Tower, Peoria, IL

EXP was selected to design the new replacement Air Traffic Control Tower at the General Wayne A. Downing Peoria International Airport in Peoria, Illinois. The new tower will stand at over 135 feet to meet the current standards set by the FAA as the original 87-foot tower was built under the standards of the mid-20th century.

#### FAA, Indianapolis International Airport Air Traffic Control Tower, Indianapolis, IN

EXP provided architecture and engineering design services (including Interior Design, Civil, Structural, MEP, Communications + RF/Radar Technology, Security, A/V Systems, Fire Protection and Network Engineering. The Tower is a landmark, visible from miles around, and symbolizes the airport as a Gateway to Indianapolis. The local press has dubbed it the "Jewel of Indianapolis".

#### FAA, Grand Forks International Airport Air Traffic Control Tower, Grand Forks, ND

162' Intermediate activity ATCT w/ 20,000 sf Base building at the Grand Forks International Airport. Due to the high volume of daily flights for UND's Flight Training School, GFK is often the busiest ATCT in the country.

#### FAA, Greenville-Spartanburg International Airport Air Traffic Control Tower, Greer, SC

EXP was selected for the design of an intermediate activity level ATCT (Airport Traffic Control Tower) and approximately 16,000 square foot TRACON base building at the Greenville Spartanburg International Airport (GSP) in Greer, South Carolina.

## Zachary Neill

A/V Telecommunications | EXP



### Professional Registrations + Certifications

Engineer in Training: IL, WI

### Education + Training

B.S. Architecture Engineering, Building Electrical Systems Design Specialty, Milwaukee School of Engineering, Milwaukee, Wisconsin, 2011

B.S., Construction Management, Milwaukee School of Engineering, Milwaukee, Wisconsin, 2011

- Intimately familiar with working in airport environment

**10+**  
years of  
experience

Mr. Neill is a technology designer for primarily telecommunication and mission critical facilities. Zach has experience designing a variety of technology systems including structured cabling infrastructure, integrated audio-video systems for conference rooms and classrooms, CATV systems, public address and intercom systems, sound masking systems, access control, intrusion detection, and video surveillance. Mr. Neill is experienced in coordinating the Building Information Model (BIM) between multiple disciplines as both the prime and MEP contract. He is also proficient in designing and providing construction documents in either a 2D or 3D environment through AutoCAD, or Revit.

### Project Experience

#### **Chicago Department of Aviation, South Air Traffic Control Tower, Chicago, IL** **LEED Gold**

EXP provided full architectural and engineering services for the new South Air Traffic Control Tower (SATCT) at O'Hare International Airport. The new SATCT serves runway 10R-28L and includes a 207-foot tall tower and 9,943 SF base building. The innovative design provided a simple, economical and durable solution to meet the operational needs of the FAA, while at the same time, addressed the interest of the City of Chicago in creating an elegant, iconic image. The tower achieved LEED gold certification.

#### **Wayne A. Downing International Airport, Air Traffic Control Tower, Peoria, IL**

EXP was selected to design the new replacement Air Traffic Control Tower at the General Wayne A. Downing Peoria International Airport in Peoria, Illinois. The new tower will stand at over 135 feet to meet the current standards set by the FAA as the original 87-foot tower was built under the standards of the mid-20th century.

#### **FAA, Indianapolis International Airport Air Traffic Control Tower, Indianapolis, IN**

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162' Intermediate activity ATCT w/ 20,000 sf Base building at the Grand Forks International Airport. Due to the high volume of daily flights for UND's Flight Training School, GFK is often the busiest ATCT in the country.

#### **FAA, Greenville-Spartanburg International Airport Air Traffic Control Tower, Greer, SC**

EXP was selected for the design of an intermediate activity level ATCT (Airport Traffic Control Tower) and approximately 16,000 square foot TRACON base building at the Greenville Spartanburg International Airport (GSP) in Greer, South Carolina.



## SHAWN MCMAHON PE

ENGINEERING SENIOR MANAGER/PRINCIPAL

Shawn leads SEH's airport planning and design practice. He is a project manager experienced in design and construction of airport infrastructure projects including runways, taxiways, aprons, hangars, airport buildings, and NAVAIDs. Shawn is also the chief corporate pilot for SEH. He flies a twin engine Piper Navajo and a Beechcraft King Air 200 to support clients' needs. He has over 5,000 flight hours, most of which come from six years of service in the U.S. Air Force as a C-17A Globemaster Instructor Pilot. Together, these experiences allow Shawn to bring unique perspective, expertise, and experience to his project management and design, providing the team with a balanced technical approach.

# 21

YEARS OF EXPERIENCE



### EDUCATION

Master of Science-Infrastructure Systems Engineering  
University of Minnesota-Minneapolis

Bachelor of Science-Civil Engineering  
University of Minnesota-Minneapolis



### REGISTRATIONS/CERTIFICATIONS

Professional Engineer in MN, IA, SD, VA, WI

Multi-Engine, Instrument Flight Instructor Rating;  
Airline Transport Pilot Certificate; Commercial Certificate; Instrument Rating; Multi-Engine Rating  
FAA



### PROFESSIONAL ASSOCIATIONS

Education and Accreditation Committee Member,  
Airport Consultant Council (ACC)



### WORKLOAD AND AVAILABILITY

Shawn is committed to the Duluth Airport Authority as its primary Airport Engineer. Shawn leverages six project managers to complete the work identified in the Capital Improvement Plan, and our weekly meetings with staff will continue through the Air Traffic Control Tower project.

## OPERATIONS-FOCUSED WITH A PILOT'S PERSPECTIVE

*Shawn will support the EXP project team by providing a local presence, knowledge of DAA policies and procedures, and connected stakeholder engagement with key partners on the Duluth International Airport. Shawn will lead communication and coordination of all SEH deliverables as part of the EXP team, and be responsible for all quality leadership, accountability, and quality control.*

### SELECT PROJECT EXPERIENCE

- Hangar Apron Design, Lynchburg Regional Airport – Lynchburg, VA
- Runway Rehabilitation, Minot International Airport – Minot, ND
- Civil Site Design - Cargo Hangar Development, Thief River Falls Regional Airport – Thief River Falls, MN
- T Hangar Design and Construction, Richard B. Helgeson Airport – Two Harbors, MN
- Multi-bay Hangar Design and Construction, Baudette International Airport – Baudette, MN
- Cargo Hangar Design Funding Strategy, Thief River Falls Regional Airport – Thief River Falls, MN
- Taxiway A Reconstruction Duluth International Airport – Duluth, MN
- Runway 9/27 Reconstruction, Duluth International Airport – Duluth, MN
- Runway 13/31 and Taxiway A Reconstruction, Falls International Airport – International Falls, MN
- Terminal Site Design, St. Paul Downtown Airport (Metropolitan Airports Commission) – St. Paul, MN



**HIS APPROACH TO PLANNING AND ENGINEERING IS GENIUS. NO MATTER THE PROJECT, THEY ARE TRULY A COLLABORATIVE TEAM AND CONSISTENTLY HAVE THE RIGHT PEOPLE AT THE TABLE TO MAKE INFORMED DECISIONS QUICKLY.**

THOR EINARSON | AIRPORT MANAGER,  
FALLS INTERNATIONAL AIRPORT





## CHRIS LARSEN PLS SURVEYOR

Chris is a senior professional land surveyor with extensive experience in Public Land Survey System remonumentation, right-of-way plats, subdivision plats, registered land surveys, and common interest community plats. He is experienced and knowledgeable in the interface and interaction of landowners and developers with county land records systems and approval processes. Chris has coordinated survey work at both Duluth International and Sky Harbor.

### RESPONSIVE, QUALITY, DEPENDABLE

*Chris will support the EXP and SEH teams by providing dependable and accurate topographic surveys and survey related tasks. Chris, based in SEH's Duluth office, will work with the City of Duluth to help with easement creation, vacancy, and permitting. He will leverage his experience throughout the Duluth area to provide accurate and timely information to the design team.*

### SELECT PROJECT EXPERIENCE

- Taxiway A Reconstruction Duluth International Airport – Duluth, MN
- Runway 9/27 Reconstruction, Duluth International Airport – Duluth, MN
- Runway 13/31 and Taxiway A Reconstruction, Falls International Airport –International Falls, MN
- Miscellaneous Site Surveys for Ongoing Projects, Duluth International Airport – Duluth, MN
- Construction Staking and Field Engineering for Ongoing Projects, Duluth International Airport – Duluth, MN
- Easement Vacation and Utility Coordination, Duluth International Airport – Duluth, MN
- Baywalk Design and Improvements – City of Duluth, MN
- T-Hangar Construction, Two Harbors Municipal Airport – Duluth, MN
- Runway Rehabilitation, Tower Municipal Airport – Tower, MN
- Ranch Hangar Design, Duluth International Airport – Duluth, MN
- Snow Removal Equipment Building, Tower Municipal Airport – Tower, MN

# 22

YEARS OF  
EXPERIENCE



#### EDUCATION

Bachelor of Science  
Water Resources  
University of Wisconsin-Stevens Point



#### REGISTRATIONS/CERTIFICATIONS

Professional Land Surveyor in Minnesota



#### WORKLOAD AND AVAILABILITY

Chris leads SEH's surveying practice throughout northeastern Minnesota. He and his staff are available at a moment's notice to meet the needs of contractors and clients alike to keep the project design and construction on schedule.



**CHRIS' SURVEY STAFF IS  
RELIABLE AND EFFICIENT;  
PROVIDING QUALITY AND**

**ACCURATE SURVEYS TO KEEP  
PROJECTS ON SCHEDULE.**

SEH PROJECT MANAGER



27

YEARS OF  
EXPERIENCE



#### EDUCATION

Bachelor of Science  
Electrical Engineering  
Michigan Technological University-Houghton



#### REGISTRATIONS/CERTIFICATIONS

Professional Engineer in Minnesota, Alabama, Connecticut, Kansas, Kentucky, North Dakota, New Jersey, Oklahoma, South Dakota, Texas, Virginia and Wisconsin

Project Management Professional (PMP), Project Management Institute



#### WORKLOAD AND AVAILABILITY

Chad is available to support the design team for all fiber optic, communication, and electrical utility designs for the Air Traffic Control Tower. Chad leads a group of over 20 electrical and communication professionals that will keep this portion of the design on track.



CHAD'S EXPERIENCE WITH FEDERAL AND PRIVATE COMPLEX ELECTRICAL, COMMUNICATION, AND DATA SUPPLY IS A VALUE ADDED BENEFIT TO THE ENTIRE PROJECT TEAM.

SHAWN MCMAHON | AIRPORT PLANNING AND DESIGN PRACTICE CENTER LEADER

## CHAD WESTBROOK PE, PMP

### ELECTRICAL ENGINEER

Chad is an electrical engineer with experience that includes preparation of studies, construction drawings, and construction administration. He is also an experienced project manager who has been responsible for project budget, scope, and schedule for many of these projects. Chad has prepared construction drawings and specifications and provided construction administration through all project phases. The types of projects he has worked on include boiler and chiller facilities, higher education facilities, industrial facilities, water and wastewater treatment facilities, supervisory control and data acquisition (SCADA), and public works buildings. Chad's technical experience includes facility power distribution and generation systems; facility and outdoor lighting, fire alarm detection and notification, communication systems, and security systems.

### TECHNICAL, INDUSTRY EXPERT, INNOVATIVE

As an electrical and communications engineer, Chad will lead the design of fiber optic, data, and communications cabling throughout the project site. Chad will be an expert resource to aid in conversations with FAA staff during impacts to FAA-owned equipment.

#### SELECT PROJECT EXPERIENCE

- Ranch Hangar, Duluth International Airport – Duluth, MN
- Terminal Building, Chamberlain Municipal Airport – Chamberlain, SD
- Terminal Building, Fillmore County Airport – Fillmore County, MN
- Terminal Building, Glencoe Municipal Airport – Glencoe, MN
- Cargo Hangar, Thief River Falls Regional Airport – Thief River Falls, MN
- T-Hangar, Richard B. Helgeson Municipal Airport – Two Harbors, MN
- Storm Sewer Improvements Design, Metropolitan Airports Commission – St. Paul, MN
- Freedom Air Hangar Coordination, Lynchburg Regional Airport – Lynchburg, VA



## AARON M. TAST

*Aviation Account Leader, Senior Project Manager*

### CERTIFICATIONS

MnDOT Certified:  
Grading and Base Level I  
Bituminous Plant Level I and II  
Aggregate Production  
No. 06740

WisDOT Certified:  
Aggregate Tech Level IPP  
HMA Tech Level IPT

### PROFESSIONAL AFFILIATIONS

MN Asphalt Pavement Association

Member of Minnesota Council of Airports



Mr. Tast is the Aviation Account Leader at Braun Intertec. His responsibilities include aviation related geotechnical evaluations, project management, and construction oversight within Braun Intertec. Aaron's responsibilities also include airport construction, business development, estimating, reporting, and assisting other offices with aviation project needs. He has spent 22 years with Braun Intertec as a project manager and senior inspector out of the St. Cloud office.

As an account leader and senior project manager, Aaron is responsible for:

- Leading the pursuits and project oversight for aviation sector.
- Business development for the aviation market.
- Plan and specification review for DOT and FAA projects.
- Senior project manager and estimator for airport and transportation projects.
- Oversight on soils, concrete and bituminous airport projects throughout MN, IA, WI, ND, SD, MO, and MT.

### PROJECT EXPERIENCE

Aaron served as senior project manager for the following airport projects:

- *Runway 9/27 / Taxiway A / Multiple Hangars, and Site Improvements, Duluth International Airport, Duluth MN* — Senior Project Manager for Geotechnical, construction, and environmental services (2015-current).
- *New Williston Basin International Airport, Williston, ND* — Senior Project Manager for geotechnical services and construction oversight for new airport consisting of new terminal, ARFF/SRE facilities, parallel taxiway, and both runways (2014-2020).
- *Brainerd Terminal Expansion and Remodel, Brainerd Regional Airport, Brainerd, MN* — Project Manager.
- *Dickinson Runway 15-33 Reconstruction, Dickinson Regional Airport, Dickinson, ND* — Senior Project Manager for geotechnical and construction oversight.
- *Montana Airport Runway, Taxiway, and Terminal Projects - Miles City and Sidney-Richland, MT* - Project Manager for geotechnical and construction oversight (2015-current).
- *Runway 13-31 / Taxiway A Reconstruction, Falls International Airport, International Falls, MN* — Senior Project Manager for geotechnical and construction services (2017-2022).
- *Runway 2-20 / Taxiway B Reconstructions, Rochester International Airport, Rochester, MN* — Geotechnical and construction oversight (2019-current).
- *Iowa Airport Runway, Taxiway, and Apron Projects - Waterloo, Muscatine, Independence, Washington, and Iowa Falls IA* — Construction and Geotechnical services (2015-2021).
- *ARFF/SRE Facilities & Corporate Hangars, Brainerd Lakes Regional Airport, Brainerd, MN* — Senior Project Manager and Geotechnical services.

**Ramesh Nair**  
Lead Cost Estimator



*Mr. Nair functions as a Project Executive in all aspects of Construction Management Services for Vistara Construction Services. He is responsible for the Coordination, Quality & Cost Control aspects for large institutional and commercial developments. He has over 25 years of experience in the construction industry.*

**Education**

Master of Science  
(Building Performance/ Diagnostics)  
Carnegie Mellon University  
Pittsburgh, PA

Bachelor of Architecture  
(Architectural Design)  
Mangalore University  
India

Licensed Architect  
State of Illinois

LEED AP (BD+C)

**References**

S.B. Friedman & Co.  
Steve Friedman, Principal  
(312) 424-4260

RS&H  
Mark Wilcer, Project Executive  
(630) 542-8199

Lab/ Life Sciences Architecture  
Mark Reed, Principal  
(617) 817-0088

Farr Associates  
Gabe Wilcox, Associate Principal  
(217) 621-6746

**Awards**

American Planning Association  
2008 Gold Award  
Uptown Redevelopment Program  
Park Ridge, Illinois

Construction Excellence  
General Services Administration 2005

GSA Design Awards 2006  
Citation  
U.S. Custom House Renovation

**Software**

Primavera P6, Rel 16  
PlanSwift V10.2  
Earthworks 3.0

**ARFF Station #2 (Aircraft Rescue and Fire Fighting) - Chicago, IL (Ghafari Architects)** Provided multiple design phase cost estimates and scheduling services for this new 2-story 26,500SF building with hose tower. Extensive site prep for future service roads and taxiway. Completion Date 2019. Budget \$16.9 Million Ref: James Yoshida, Sr PM, 312-857-2192, jyoshida@ghafari.com

**Airport Maintenance Complex (AMC) Chicago, IL (Muller+Muller, Ltd.)** Design option and construction cost estimates for a new 88,300 SF expansion and site work to the maintenance facility. Project certification goals: LEED Silver and SAM. Completion Date 2017 Budget \$18.3 Million. Ref: David Steele, 312-313-7703 dsteele@muller2.com

**Lafayette International Terminal, Lafayette, LA (RS&H Architects)** Construction Cost estimating consultant for the design and construction of a new 140,000SF terminal including baggage handling, lounges, Check In/ Arrival/ Departure Gates. Expected Completion 2021. Construction Budget ~ \$135 Million. Ref: Mark Wilcer, Sr. VP, 630-542-8199, mark.wilcer@rsandh.com

**New Air Traffic Control Center, Peoria, IL (exp Architects)** Construction cost estimates for the construction of a new Air Traffic Control Center including new infrastructure, relocation of existing utilities and meeting FDA standards for safety and space utilization. Completion Date 2018. Construction Budget \$23.0 Million.

**Lubbock Preston Smith International Airport, Tx (RS&H Architects)** Construction Cost consultant for the renovation of the 100,000SF terminal including major upgrades to Baggage Handling, Face Uplift, Egress modifications, Restroom Upgrades, Passenger Experience. Completion Date 2021, Construction Budget – \$35.0 Million. Ref: Mark Wilcer, Sr. VP, 630-542-8199, mark.wilcer@rsandh.com

*individual profile*



5

# Part V. Demonstrated Experience





airside



Terminals+Concourses



Landside

## EXP'S RECENT RELEVANT EXPERIENCE AND QUALIFICATIONS

EXP is a full-service architecture and engineering firm with over 300 professionals in our Chicago headquarters office. Our unique, award-winning firm consistently fosters creative, fully integrated and cost-effective design solutions of superior quality and constructability. EXP's aviation experience goes back over 50 years covering over 60 airports worldwide, 25 of which are international. We have the capability and experience to perform any design-related service required.

Our experience includes large hub primary airports such as O'Hare International Airport, DFW International Airport, Orlando International Airport, Toronto Pearson International Airport and St. Louis Lambert International Airport, as well as reliever and general aviation airports. Our work covers secure and non-secure areas, and includes terminals and concourses, air traffic control towers, baggage handling facilities, mechanical/electrical plants, concessions spaces, security checkpoints, hangars, ground equipment maintenance facilities, automated people movers, parking garages, runways and taxiways.

EXP has an extensive background in renovations and expansions of existing facilities, as well as in design of brand-new facilities. We understand that all aviation work impacts the continuing operations of the active airport environment. We know that phasing and sequencing must be considered from the beginning of design to minimize impact to ongoing activities and to the revenue stream of the airport, and to ensure that future needs are efficiently integrated with existing activities. Our expertise will ensure forward-thinking solutions.

EXP has completed the South Airport Traffic Control Tower at O'Hare International Airport, which is an airport owned and FAA operated ATCT. We are also in final design of an Airport owned, FAA operated ATCT at General Wayne Downing International Airport in Peoria, IL.

## EXPERIENCE WITH FAA OPERATED BUT AIRPORT OWNED TOWERS

EXP also has an extensive background designing Airport Traffic Control Towers, and have completed projects that are owned and operated by the FAA, as well as towers that are owned by the sponsor Airport and operated by the FAA.

## PREVIOUS SIMILAR PROJECTS

Projects of similar scope are provided on the following pages.

## LITIGATION ABRITRATION CLAIMS

("EXP") has never been the subject of major disputes, contract default, liens or adverse judgments. As with similarly situated professional design consulting firms of its size and operations, EXP from time to time defends allegation of negligence arising in the course of its operations. None of the claims have hindered or would hinder EXP's ability to perform the services contemplated or its financial stability. Should more information on this subject be required EXP's General Counsel is available to discuss in greater detail. [Priscilla Ahn, LL.B., B.Sc. | EXP | General Counsel & Corporate Secretary | t : +1.905.796.3200, 3003 | m : +1.416.587.8065 | e : priscilla.ahn@exp.com](#)

## DATE OF PERFORMANCE

2011 - 2015

## PROPOSED DESIGN & CONSTRUCTION SCHEDULES VS. ACTUAL

Scheduled 2015  
Completion 2015

## PROJECT LOCATION

Chicago, Illinois

## A&E FEES

EXP Contract - \$7M

## PROPOSED CONSTRUCTION BUDGET VS. ACTUAL

Proposed - \$40M  
Actual - \$26M

## IDENTIFICATION OF ROLES

- Prime - EXP
- Electrical Sub - Millhouse
- Survey, Civil Sub - Environmental Design International

## OWNER + REFERENCES

Chicago Department of Aviation

Scott Iwamoto | FAA  
2300 East Devon Avenue  
Des Plaines, IL 60018  
847.894.7668  
scott.t.iwamoto@faa.gov

Jon Leach  
Former Managing Deputy Commissioner  
333 West Wacker Drive Suite 1420  
Chicago, Illinois 60606  
+1.312.884.5090  
jleach@chiconunes.com



5  
awards won

LEED

Gold  
Certification

## Chicago Department of Aviation SOUTH AIR TRAFFIC CONTROL TOWER

### PROJECT DESCRIPTION AND SCOPE:

EXP provided full architectural and engineering services from concept design through post-construction phase services for the new South Airport Traffic Control Tower at O'Hare International Airport (SATCT), this tower is Airport owned and FAA operated.

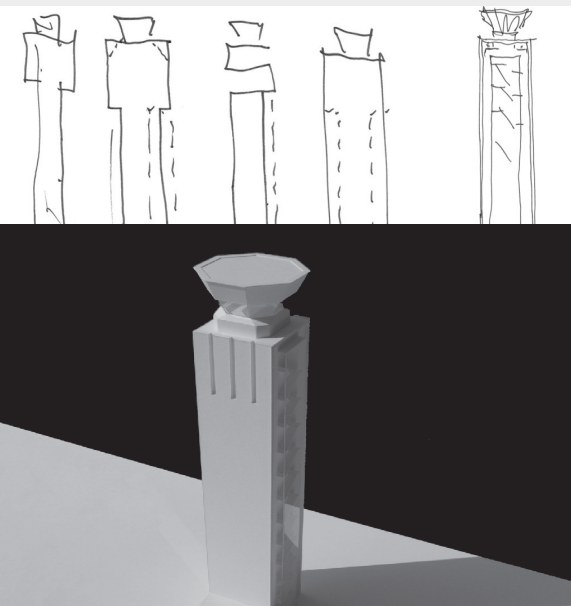
The new SATCT is a Low Activity Level Airport Traffic Control Tower Facility that serves the planned 7,500-foot runway 10R-28L, the southern most runway of the six east/west runways planned as part of the \$15B O'Hare Modernization Project.

The scope of work included the 207-foot tall Tower and 9,943 SF Base Building as well as site development and perimeter security. The design provided a simple, economical and durable solution to meet the operational needs of the FAA, while at the same time addressed the City of Chicago's desire to create an elegant, iconic image that meets sustainable design objectives. The SATCT was designed to and achieved LEED Gold certification.

### LEED CERTIFICATION DESCRIPTION

LEED Gold Achieved in 2019. EXP utilized an integrated team approach when developing our sustainable framework. Internal workshops sessions were conducted with all disciplines contributing and brainstorming about qualities that will make the SATCT project sustainable. From the form of the building to the way it functions, sustainability was a key consideration throughout the design process. The facility includes the following sustainable elements:

- The structure itself is comprised of concrete - a sustainable and locally produced material which has significantly lower maintenance costs over the life of the building than other materials.
- A geothermal field is incorporated as a source of heat exchange and is designed to provide an annual energy cost savings of 14 percent.
- All of the glass in the base building and in the stair enclosures of the tower is low-E coated, insulated glass with a ceramic frit pattern which provides some transparency while also reducing solar gain.



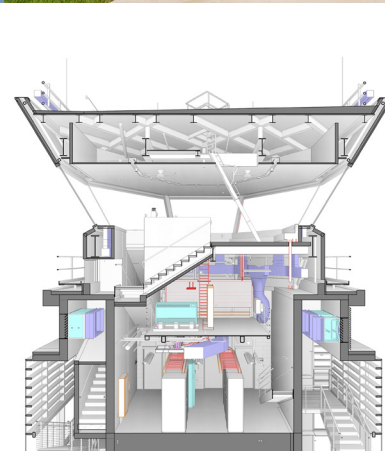
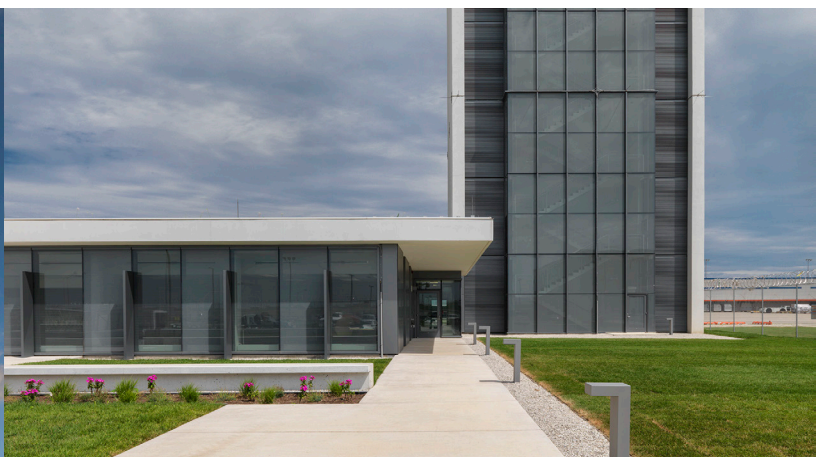


Chicago Department of Aviation

## SOUTH AIR TRAFFIC CONTROL TOWER - CONTINUED

### LEED CERTIFICATION DESCRIPTION - CONTINUED

- The 10,000 sf base building roof is a planted green roof, reducing heat island effect and providing insulating value to the building below.
- Low-flow water fixtures are expected to reduce water usage to the building by 40 percent.
- Locally sourced materials were specified, while still maintaining an “open” specification. The use of local materials reduces transportation costs and emissions.
- A construction waste recycling program was implemented requiring 95 percent of waste generated from the construction site to be recycled.
- The FAA committed to developing a recycling program on site after occupancy, and to maintaining the building with environmentally friendly materials.
- Project is an excellent example of an iterative design process with FAA and other stakeholders which allowed for a new prototype tower (a simple, economical, and durable solution that met sustainable design objectives).





## DATE OF PERFORMANCE

2011 - Ongoing

## PROPOSED DESIGN & CONSTRUCTION SCHEDULES VS. ACTUAL

Scheduled 2025

Completion Scheduled For 2025

## PROJECT LOCATION

Peoria, Illinois

## A&E FEES

EXP Contract - \$1.5M

## PROPOSED CONSTRUCTION BUDGET VS. ACTUAL

Proposed - Approximately \$30M

Actual - TBD

## IDENTIFICATION OF ROLES

- Prime - EXP

## OWNER + REFERENCES

Wayne A Downing Peoria international Airport

Gene Olson

Director of Airports,

+1. 309.697.8272

golson@FlyPIA.com



## Wayne A Downing Peoria International Airport PEORIA AIR TRAFFIC CONTROL TOWER

### PROJECT DESCRIPTION AND SCOPE:

EXP is providing full architectural and engineering services from concept design through construction documents phase services for a new Airport owned and FAA operated replacement control tower and base building at the Wayne A. Downing Peoria International Airport (PIA).

The 440 SF cab has a floor elevation of 132 feet. The FAA control equipment and support facilities will be located in the tower and in the 14,000 SF Terminal Radar Approach Control (TRACON) and administrative base building.

The Air Traffic Control Tower's functional role establishes a progressive architectural approach to support the contemporary engineering and technology inherent in the project. The design and material palette of this new control tower respond to the airport Terminal's contemporary architectural and material palette.

### LEED CERTIFICATION DESCRIPTION

EXP is designing to the High Performance Sustainable Building (HPSB) Guiding Principles.

## DATE OF PERFORMANCE

2002 - 2006

## PROPOSED DESIGN & CONSTRUCTION SCHEDULES VS. ACTUAL

Scheduled  
Completion 2006

## PROJECT LOCATION

Indianapolis, Indiana

## A&E FEES

EXP Contract - \$1.7M

## PROPOSED CONSTRUCTION BUDGET VS. ACTUAL

Proposed - \$24M  
Actual - \$26M

## IDENTIFICATION OF ROLES

- Prime - EXP
- Geotechnical - Patriot Engineering
- Wind Tunnel Testing - RWDI, Inc.
- Cost Estimating - Hanscomb

## OWNER + REFERENCES

Federal Aviation Administration

Scott Iwamoto | FAA  
2300 East Devon Avenue  
Des Plaines, IL 60018  
847.894.7668  
scott.t.iwamoto@faa.gov



Federal Aviation Administration

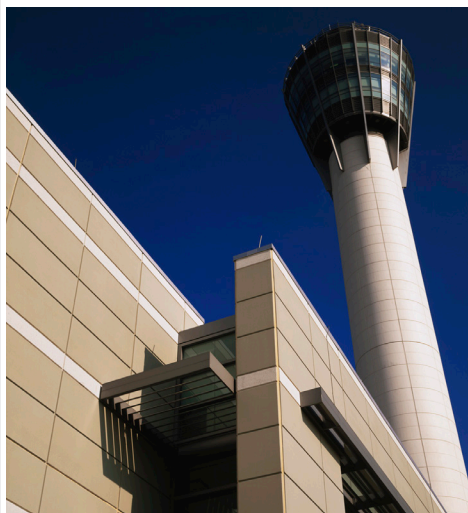
## INDIANAPOLIS INTERNATIONAL AIRPORT AIR TRAFFIC CONTROL TOWER

### PROJECT DESCRIPTION AND SCOPE:

The new Indianapolis International Airport Control Tower was constructed as the first phase of the overall airport redevelopment and included the 43,000 SF. TRACON Base Building, new Control Tower, and all sitework. At 345 feet tall the Tower is the second tallest in the United States. To minimize view obstructions the tower cab is supported by one central super-column, thus eliminating perimeter columns and visual obstructions at the glass.

The design for the base building uses economical pre-cast concrete with a strong horizontal emphasis to visually anchor the Tower to the Indiana prairie. The design of the Control Tower Cab was conceived as a glass jewel captured by stainless steel fins, and is likened to the setting of a diamond wedding band.

Our firm provided architecture and engineering design services (including Architecture, Interior Design, Civil, Structural, MEP, Communications + RF/Radar Technology, Security, A/V Systems, Fire Protection and Network Engineering. The Tower is a landmark, visible from miles around, and symbolizes the airport as a Gateway to Indianapolis. The local press has dubbed it the "Jewel of Indianapolis".



## DATE OF PERFORMANCE

TBD - In Progress

## PROPOSED DESIGN & CONSTRUCTION SCHEDULES VS. ACTUAL

Scheduled 2023

Completion TBD - In Progress

## PROJECT LOCATION

Greer, South Carolina

## A&E FEES

EXP Contract - \$1,353,752

## PROPOSED CONSTRUCTION BUDGET VS. ACTUAL

Still in Design

Original FAA Budget from siting report is \$47,636,870. Which includes \$1,500,000 for relocating an existing remote transmitter/receiver site.

## IDENTIFICATION OF ROLES

- Prime - EXP
- Geotechnical - Terracon
- Land Survey and Civil - CES
- Wind Tunnel Testing - RWDI
- Cost Estimating - Vistara

## OWNER + REFERENCES

Federal Aviation Administration

Stefanie Johnson, P.E.

Federal Aviation Administration

Lead General Engineer, AJW-2E11D

Terminal Engineering Design, Atlanta

+1. 404.702.9560



Federal Aviation Administration

## GREENVILLE-SPARTANBURG INTERNATIONAL AIRPORT AIR TRAFFIC CONTROL TOWER, GREER, SC

### PROJECT DESCRIPTION AND SCOPE:

EXP was selected for the design of an intermediate activity level ATCT (Airport Traffic Control Tower) and approximately 16,000 square foot TRACON base building at the Greenville Spartanburg International Airport (GSP) in Greer, South Carolina.

EXP is leading the team to provide all civil, architectural, structural, mechanical, plumbing, electrical, security and fire protection design, based on the FAA standard tower design and TRACON Base Building Standard Design floor plan architectural backgrounds.

### LEED CERTIFICATION DESCRIPTION

EXP is designing to the High Performance Sustainable Building (HPSB) Guiding Principles.

## DATE OF PERFORMANCE

TBD - In Progress

## PROPOSED DESIGN & CONSTRUCTION SCHEDULES VS. ACTUAL

Design + Construction: August 2022 - December 2025

Actual: TBD

## PROJECT LOCATION

Grand Forks international Airport, Grand Forks, North Dakota

## A&E FEES

\$1.6M

## PROPOSED CONSTRUCTION BUDGET VS. ACTUAL

Proposed: \$30M;

Actual: TBD

## IDENTIFICATION OF ROLES

- EXP: Architecture, Structural, MEP/FP, Security/AV
- CPS: Civil Engineering + Survey
- Terracon: Geotechnical

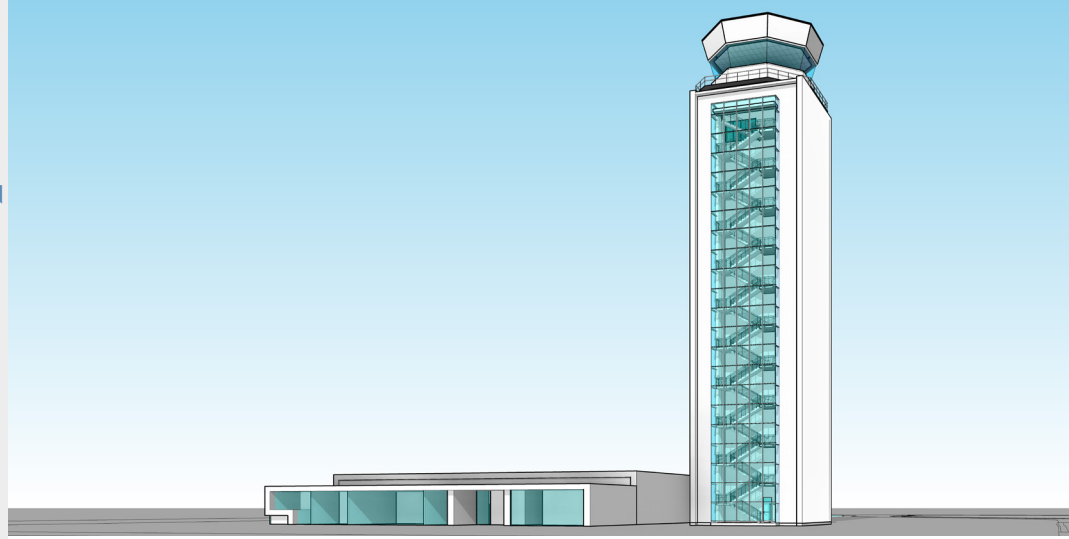
## OWNER + REFERENCES

Federal Aviation Administration

Scott Iwamoto | FAA  
2300 East Devon Avenue  
Des Plaines, IL 60018  
847.894.7668  
scott.t.iwamoto@faa.gov

GFK Airport

Ryan Riesinger, C.M.  
Executive Director  
Grand Forks Regional Airport Authority  
2301 Airport Drive, Suite 107  
Grand Forks, ND 58203  
+1. 701.795.6981 - Office  
+1. 701.738.4646 - Direct  
rriesinger@gfkairport.com



Federal Aviation Administration

## GRAND FORKS INTERNATIONAL AIRPORT AIR TRAFFIC CONTROL TOWER

### PROJECT DESCRIPTION AND SCOPE:

EXP is providing full architecture and engineering services for the new Air Traffic Control Tower at Grand Forks international Airport in Grand Forks, ND.

Due to new and planned airport developments, as well as increasing flights at GFK, the existing 90' tall tower is no longer able to effectively serve the needs of the FAA. This project consists of a new 180' replacement tower and 20,000 sf Base Building to consolidate Air Traffic and Technical Operations needs in one contiguous facility.

The requested design for the project is a site adaptation of EXP's design for the South Air Traffic Control Tower at O'Hare International Airport in Chicago, IL.

This project is an FAA owned and operated tower, but is being designed in a fully integrated and iterative process between the FAA and the Airport to find a solution that addresses all parties interest and objectives.

### LEED CERTIFICATION DESCRIPTION

EXP is designing to the High Performance Sustainable Building (HPSB) Guiding Principles.



# 6

## Part VI. Experience in LEED Certification/ Environmental Sustainability





**ORD, SATCT |** EXP designed the new South Air Traffic Control Tower at O'Hare International Airport. This was the first Air Traffic Control Tower at O'Hare to achieve a 4-airplane SAM rating and is **one of only three LEED Gold towers in the US.**

**350+**

LEED Certified projects

**80+**

LEED AP's on Staff



**PROVEN  
PROVIDER**

## EXP's COMMITMENT TO SUSTAINABILITY

Sustainable, or green building design, is a core value of EXP. Our commitment to the environment is constant as we “educate, evaluate and implement” earth-friendly strategies into all of our projects.

We are passionate about maintaining a healthy planet and improving the sustainability of the places that people travel, live, work and play. We have over 80 LEED professionals and over 250 projects that have achieved LEED Certification, including 6 LEED Platinum projects. EXP is signatory to the AIA 2030 Challenge and is amongst only a handful of firms named as a LEED Proven Provider by the USGBC.

Besides being “the right thing to do,” sustainable choices create positive outcomes for owners in many ways – reduce operating costs; enhance asset value; improve productivity; maintain better occupant health; reduce absenteeism; reduce liability; increase profits.

EXP provides support to clients to help them make LEED®, Green, and sustainability standard practice. Our dedication to the environment has included EXP representation on the national US Green Building Council (USGBC) board of directors. EXP has worked on hundreds of LEED certified projects. Our LEED documentation is of such high quality that the USGBC recognized us as one of a very few LEED Proven Providers. As a Proven Provider, we can bring a streamlined LEED review to our clients.

Our approach is simple: Early, Often and On the Fly. We believe early involvement in the projects leads to an efficient design process. Sustainable ideas, systems and equipment are incorporated into the drawings and specifications before the project is bid by the contractors. We are involved through the entire process, performing design reviews and providing comments to the Project Team. This ensures a high-quality process is maintained from start to finish. Checking the drawings and specifications often provides assurance to the Owner that their project requirements continue to be met.

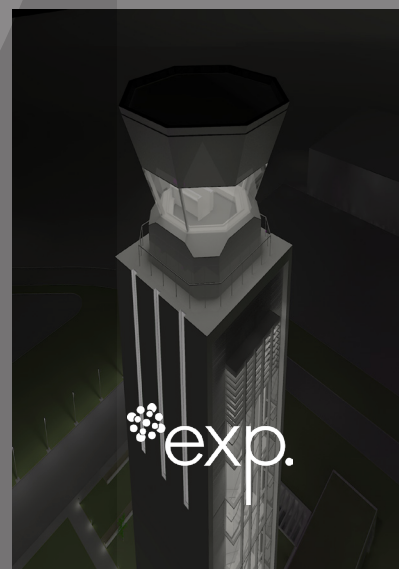
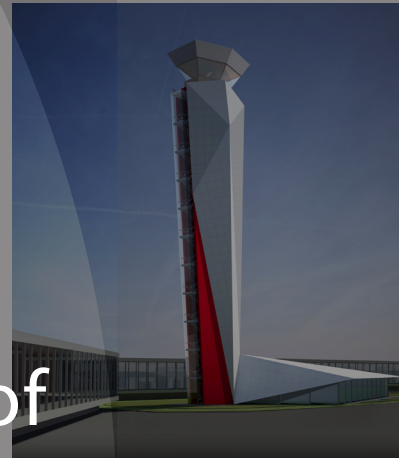
The EXP team is also completely hands on throughout the project. Our team has the capability to lead project meetings. During the meetings, energy, water and site calculations are often performed sitting at the table with the entire team. This quick reaction allows for decisions to be made on the fly, in real time, with no further delays to the documents.

## EXP's SUSTAINABLE AVIATION PROJECTS

EXP designed the new South Air Traffic Control Tower at O'Hare International Airport. This was the first Air Traffic Control Tower at O'Hare to achieve a 4-airplane SAM rating and is one of only three LEED Gold towers in the US. EXP is designing the PIA, GSP, and GFK towers to the High Performance Sustainable Building (HPSB) Guiding Principles. In addition, EXP is engaged in a measurement and verification (M&V) project at ORD, taking inventory of all equipment and corresponding energy performance. The end result will be a “road map” that prioritizes which equipment should be replaced first, identification of expected return on investment, and calculation of ultimate life cycle cost savings and reduction in carbon consumption. In addition, EXP has been working at DFW airport, the first carbon neutral airport in the country. All projects consider sustainability in design.



Part VII. Conceptual Rendering of the future DLH ATCT located at the proposed future ATCT location (Airport Preferred Location)





## CONCEPTUAL RENDERINGS OF THE FUTURE DLH ATCT LOCATED AT THE PROPOSED FUTURE ATCT LOCATION (AIRPORT PREFERRED LOCATION)

We have included within several renderings of previous Air Traffic Control Tower designs that we have done for other locations including O'Hare International Airport, Peoria International Airport and Baltimore Washington International Airport (See page 48 for these renderings). All three projects are airport owned and FAA operated towers.

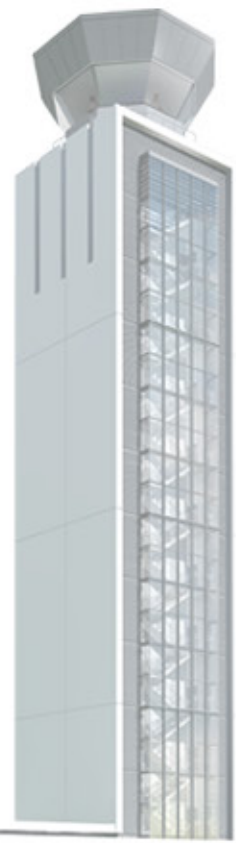
We have included these to demonstrate our rendering capabilities, and to show our ability to design airport owned towers that address the specific desires of the airports, and that have met all FAA requirements.

We have also included a rendering of a conceptual design for the Duluth International Airport (See page 49 for this rendering). Our design process for all projects is rooted in the belief that design should be a fully integrated and iterative process with the client and other stakeholders, and that this involvement is the only way to arrive at the correct solution. However, absent your input at this time we have developed a design that is based on a site adaptation of the tower we designed for O'Hare International Airport. As stated above, the O'Hare ATCT is an airport owned and FAA operated tower and is a very low maintenance and low-cost design. We see opportunity to include some reference to the Duluth Airport by including infill/accents of the same color as the Duluth main terminal building without adding cost.

This is not a final design, only an initial concept done by us without your necessary input. We look forward to working with you and together arriving at the best design for this tower at your airport.



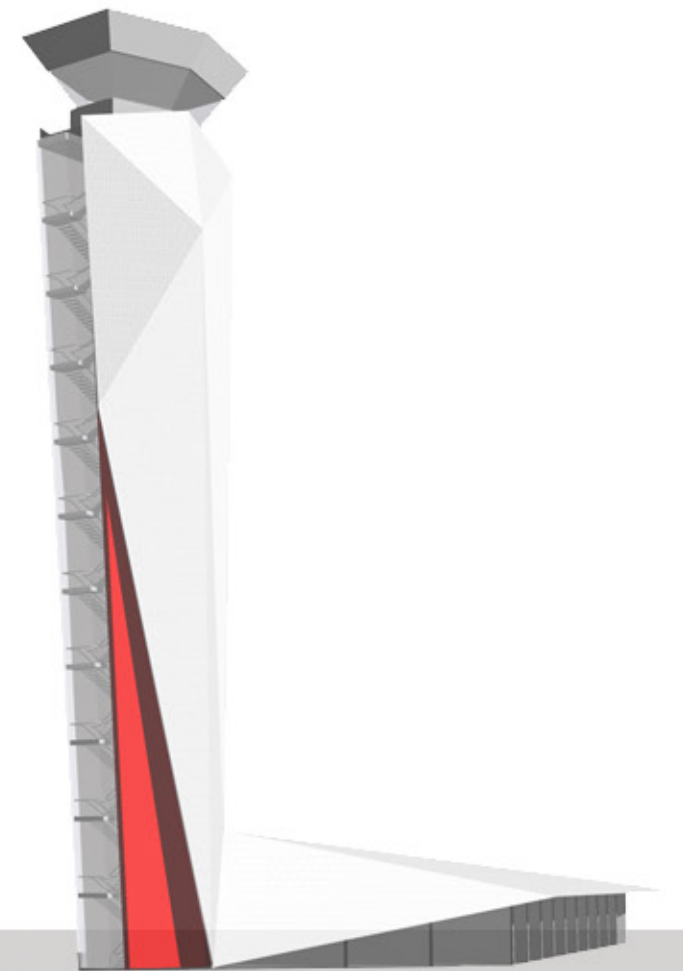
O'hare International Airport SATCT



Peoria International Airport ATCT



Baltimore Washington International Airport ATCT





## VII - F

### Resolution to Approve Sponsorship Agreement Between the Duluth Airport Authority and AMSOIL INC. Executive Summary

#### ***Terms:***

- Length of Agreement – 10 years

#### ***Overview***

- \$30,000 annually, totaling \$300,000 over the length of the contract.
- Advertisement locations in the contract include what is currently existing, as well as additional visibility wrapping the upper level of the carousel with a graphic design of AMSOIL's choosing.

**DULUTH AIRPORT AUTHORITY  
SPONSORSHIP AGREEMENT  
AMSOIL INC.**

PARTIES TO THIS AGREEMENT ARE the DULUTH AIRPORT AUTHORITY, the governmental authority organized and existing under the Laws of Minnesota, 1969, Chapter 577, hereafter referred to as “Authority”, and AMSOIL INC., a Delaware Corporation (hereinafter referred to as “AMSOIL”).

THE PARTIES ACKNOWLEDGE THE FOLLOWING:

1. The Authority is the operator of the Duluth International Airport (hereinafter “Airport”), including its passenger terminal facility (hereinafter “Terminal”) located in the City of Duluth, State of Minnesota and is in the business of promoting and managing aviation activity at the Airport; and
2. AMSOIL desires to sponsor one of the conference rooms in the Airport and advertise its products within the Airport; and
3. DAA desires to have AMSOIL and to provide a presence in the Terminal as described in more detail herein.

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 thereunder.

- A. Airport shall mean the Duluth International Airport located in the City of Duluth, County of St. Louis, State of Minnesota.
- B. Terminal is the commercial passenger terminal located at the Duluth International Airport.
- C. 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 or her or by a person designated by him to sign such document.
- D. Club DLH is defined as the private business center located on the second floor of the Terminal as shown in Exhibit A.
- E. Sponsored Space shall refer to the approved branded areas for exclusive use as further described in Section 3 below, and shown on Exhibit A.

**SECTION 2  
TERM**

Notwithstanding the date of this Agreement, the Term of this Agreement shall commence on April 16, 2023, and shall remain in effect for 10 years until April 15, 2033. In the event that the Term expires and a new agreement has not been executed, at the sole discretion and upon



the prior written consent of the Executive Director, this Agreement shall continue in effect on a month-to-month basis under the terms and conditions set forth in this Agreement subject to the adjustment of fees.

### **SECTION 3 SPONSORED SPACE**

- A. DAA agrees to continue the dedication of the conference room shown in exhibit A-1.
- B. DAA agrees to update baggage claim monitors as shown in exhibit A-2 ensuring AMSOIL graphics are always in rotation.
- C. DAA agrees to add additional visibility in baggage claim, by wrapping carousel 2 with advertising of AMSOIL's choosing as shown in exhibit A-3. AMSOIL shall be responsible for all costs related to the design, concept, look, and feel of the content regarding the AMSOIL brand wrapped around the baggage claim carousel. This content is subject to the prior written approval of DAA's Executive Director or designee. AMSOIL may change the graphic content on an annual basis. In such event, AMSOIL shall be responsible for the production costs associated with the changed graphic content, DAA shall contract for the installation, and AMSOIL shall pay the installation costs.
- D. Taxes, Assessments and License Fees. AMSOIL 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, charged by any governmental agency and to provide evidence of AMSOIL shall fail or neglect to pay any of said taxes, assessments, license fees or other charges when the same become due, the DAA may pay the same, together with any cost or penalty which may be accrued thereon, and collect the entire amount so paid from AMSOIL, and AMSOIL hereby agree to pay such entire amount due to the DAA upon demand therefor.

### **SECTION 4 SPONSORSHIP BENEFITS**

Provided that this Agreement has not been previously terminated, and AMSOIL is not in default hereunder, AMSOIL shall have at no additional cost to AMSOIL, the following:

AMSOIL shall have the right to utilize two (2) assigned, covered parking stalls. The location of the parking stalls shall be in the sole discretion of the Executive Director. The parking stalls are deemed to be offered on the same basis and rates available to other members of the general public.

AMSOIL shall have the right to utilize four (4) business passes to the Corporate Business Centre.

Exclusivity. The exclusivity granted in Paragraph 3 shall not restrict DAA in any way from selling advertising, ad space, sponsorships, or any other product or service to any third party on standard commercial terms in other locations, even if such third party is using such advertising, ad space, sponsorships, product or service for the solicitation or sale of products similar to or competitive with AMSOIL.

**SECTION 5  
USE OF TRADEMARKS**

- A. To the extent necessary to fulfill DAA's obligations herein, AMSOIL hereby grants DAA a royalty-free, non-transferable worldwide license during the term of this Agreement to use the trademarks, service marks, logos, trade names, copyrighted content, hypertext links, domain names, icons, buttons, banners, graphic files associated with AMSOIL products (in plain and/or logo form) and all derivations thereof (the "AMSOIL Intellectual Property"). In addition, AMSOIL hereby authorizes DAA to use the name "Al Amatuzio" in connection with DAA's use of the Conference Room, DAA shall obtain the prior written approval of VP Finance & Corporate Controller or designee (the "VP") of any use of any logos or marks associated with AMSOIL (including, without limitation, advertisements, press releases, promotional e-mails, and/or website displays) by submitting the proposed material to the VP at least ten (10) business days' prior to the dissemination of such materials. A decision on such approval shall not be unreasonably withheld or delayed.
- B. In addition, DAA hereby grants AMSOIL a royalty-free, non-transferable worldwide license during the term of this Agreement to use logos or marks associated with DAA or the Airport, subject to the following: AMSOIL shall obtain the prior written approval of the Executive Director any use of any logos or marks associated with DAA or the Airport (including, without limitation, advertisements, press releases, promotional e-mails, and/or website displays) by submitting the proposed material to the Executive Director at least ten (10) business days prior to the dissemination of such materials. A decision on such approval shall not be unreasonably withheld or delayed.

**SECTION 6  
RESTRICTIONS ON ASSIGNMENT AND SUBLEASING SPACE**

AMSOIL cannot sell, assign, transfer, or convey this Agreement, or assign, share, sublet its use of the LCD Screen or Edge lit Display (the "Space"), or any part thereof. Any attempted sale, sharing, subletting, assignment, transfer, conveyance of this Agreement or any portion of the Space in violation of this Paragraph shall constitute a breach of this Agreement.

**SECTION 7  
REPRESENTATIONS AND WARRANTIES**

AMSOIL represents and warrants to DAA that:

AMSOIL owns or validly possesses the right to make, use, perform, sell and display AMSOIL Intellectual Property at the Airport or to promote its presence at the Airport;

AMSOIL has full power and authority to execute and deliver this Agreement and to perform all of its obligations hereunder;

this Agreement has been duly authorized and approved by all necessary and proper corporate action on the part of AMSOIL and is the valid, legally binding and enforceable obligation of AMSOIL in accordance with its terms; and

the execution, delivery and performance of this Agreement by AMSOIL does not conflict with, violate or constitute a default under any of the terms, conditions or provisions of any contract or other instrument to which AMSOIL is a party or by which AMSOIL is or may be bound.

## **SECTION 8 INDEMNIFICATION**

AMSOIL agrees for itself, to defend, indemnify, and hold harmless DAA, the City of Duluth and their respective officers, agents, servants and employees from and against any and all losses, claims, actions, demands, liabilities, judgments, penalties, injunctive relief, injury to person(s) or the Airport, costs, damages and expenses by reason of any actual or alleged act or omission of AMSOIL or their employees, agents, or invitees in connection with or relating to

- A. AMSOIL use of the Airport pursuant to this Agreement, or
- B. AMSOIL infringement of any intellectual property, including without limitation copyright, patent, or the unauthorized use of a registered trademark or service mark or other violations of the property or proprietary rights, or the rights of privacy or publicity of any third party arising from, related to or in connection with this Agreement. Upon ten (10) days' written notice AMSOIL will appear and defend all claims and lawsuits against DAA and/or the City growing out of any such injuries or damages. Neither DAA nor the City waives their respective immunities under state or federal law.

## **SECTION 9 SPONSORSHIP FEE AND RELATED CONSIDERATION**

In consideration for the rights and benefits granted to AMSOIL pursuant to this Agreement, AMSOIL shall pay DAA an annual fee in the amount \$30,000 (the "Fee"). The first payment shall be due upon the execution of this Agreement. The remaining payments shall be due on or before January 1<sup>st</sup> of each year with the final payment due on January 1, 2033. The total Fees paid under this Agreement shall be \$300,000

## **SECTION 10 TERMINATION**

DAA shall have the right to terminate this Agreement upon breach by AMSOIL of any of its representations, warranties, covenants or obligations under this Agreement, which breach has not been cured within ten (10) business days after receipt of notice specifying such breach. In the event of a termination by DAA pursuant to this Paragraph, AMSOIL shall forfeit all Fees paid and shall

further be responsible for payment of the remaining portion of the Fees due under this Agreement. In addition, DAA shall have the right to pursue all other rights and remedies at law or in equity.

AMSOIL shall have the right to terminate this Agreement upon breach by DAA of any of its representations, warranties, covenants or obligations under this Agreement, which breach has not been cured within ten (10) business days after receipt of notice specifying such breach provided, however, that if such breach is incapable of being cured within such ten (10) business days after notice, and if DAA commences and diligently prosecutes the appropriate steps to cure such breach, no default shall exist so long as DAA is proceeding to cure such breach. In the event of termination by AMSOIL pursuant to this Paragraph, AMSOIL shall have no further responsibility for Fees due under this Agreement. In addition, AMSOIL shall have the right to pursue all other rights and remedies at law or in equity.

## **SECTION 11 NO THIRD-PARTY RIGHTS**

This Agreement shall be binding upon and inure solely to the benefit of the parties hereto and no other person shall acquire or have any rights created hereunder.

## **SECTION 12 APPLICABLE LAW**

This Agreement, together with all of its articles, terms and provision, 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 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. The parties to this Agreement waive any objections to the jurisdiction of these courts, whether based on convenience or otherwise.

## **SECTION 13 NOTICES**

All written notices and/or communications hereunder shall be sent by U.S. mail postage prepaid, by overnight delivery, or personal delivery to the addresses indicated and shall be deemed delivered on the date received or refusal thereof.

Any notice provided for in this Agreement or otherwise to the Authority shall be sent to:

Duluth Airport Authority  
Executive Director  
Duluth International Airport  
4701 Grinden Drive  
Duluth, Minnesota 55811

Any notice to the Lessee hereunder shall be sent to:



AMSOIL INC.  
VP Finance & Corporate Controller  
ATTN:  
925 Tower Ave  
Superior, WI 54880

**SECTION 14  
COUNTERPARTS**

This Agreement may be amended only by a written instrument signed by both parties. This Agreement may be executed in counterparts, each of which shall be deemed to be original and all of which together shall constitute the binding and enforceable agreement of the parties hereto. This Agreement may be executed and delivered by a party by facsimile or PDF transmission, which transmission copy shall be considered an original and shall be binding and enforceable against such party.

**SECTION 15  
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. No waiver consent, modification or change of terms of this Agreement shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements or representations, oral or written, not specified herein regarding this Agreement. AMSOIL, by the signature below of its authorized representative, hereby acknowledges that AMSOIL has read this Agreement, understands it and agrees to be bound by its terms and conditions.

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

DATED: \_\_\_\_\_

DULUTH AIRPORT AUTHORITY

AMSOIL INC.

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

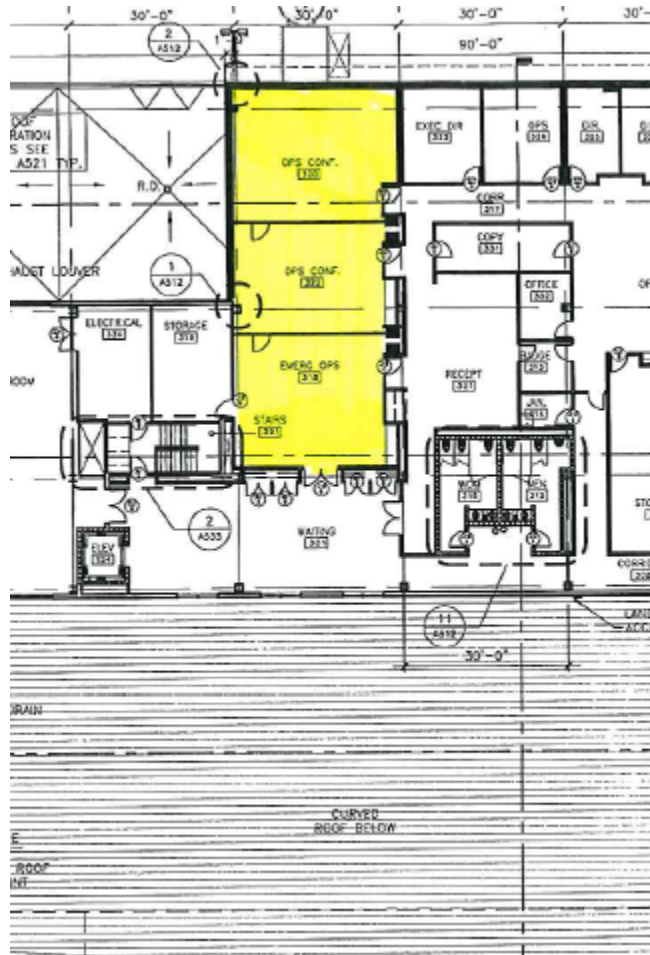
By: \_\_\_\_\_

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

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

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

**EXHIBIT A-1**  
**Airport Conference Room Location**  
**(3<sup>rd</sup> Floor)**





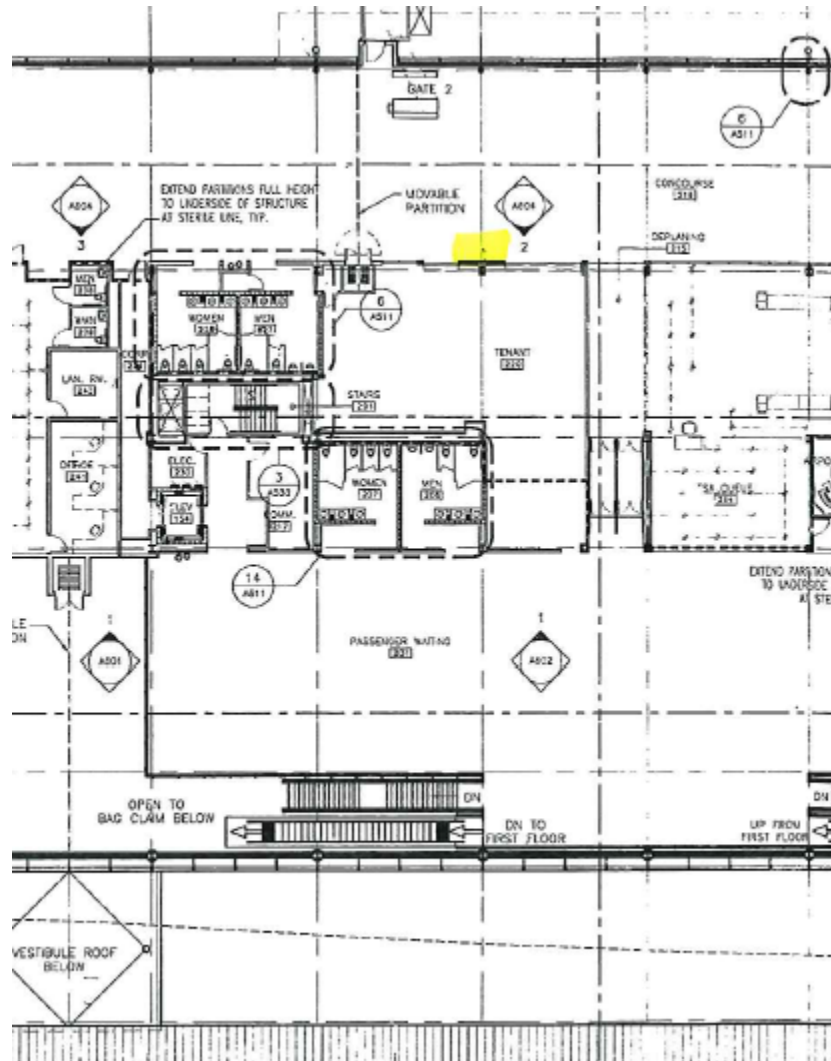
**EXHIBIT A-3**  
**Airport Baggage Claim Carousel Wrap**  
**(1<sup>st</sup> Floor)**



**EXHIBIT A-4**



# Airport Edge Lit Display Location (2<sup>nd</sup> Floor)



## VII - G

### Resolution to Approve Sponsorship Agreement Between the Duluth Airport Authority and Duluth Pack

***Terms:***

- Length of Agreement – 1 year with 2 additional one (1) year options

***Overview:***

- \$3,000 annually
- Duluth Pack will continue to sponsor the space above carousel 2.

**DULUTH INTERNATIONAL AIRPORT  
LICENSE AGREEMENT FOR THE DISPLAY OF DULUTH PACK ADVERTISING**

PARTIES TO THIS AGREEMENT ARE the DULUTH AIRPORT AUTHORITY, the governmental authority organized and existing under the Laws of Minnesota, 1969, Chapter 577, hereafter referred to as “Authority”, and BKR Investments LLC, DBA Duluth Pack (“Advertiser”).

THE PARTIES ACKNOWLEDGE THE FOLLOWING:

1. The Authority is the operator of the Duluth International Airport (hereinafter “Airport”), including its passenger terminal facility (hereinafter “Terminal”) located in the City of Duluth, St. Louis County, State of Minnesota and is in the business of promoting and managing aviation activity at the Airport; and
2. Duluth Pack desires to advertise its products or services within the Terminal; and
3. DAA desires to have Duluth Pack and to provide a presence in the Terminal as described in more detail herein.

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

This License Agreement (the “Agreement”) is entered into June 1, 2023, between Duluth Airport Authority (“DAA”) and BKR Investments DBA Duluth Pack (“Advertiser”).

**SECTION 1  
DEFINITIONS**

- A. Airport shall mean the Duluth International Airport located in the City of Duluth, County of St. Louis, State of Minnesota.
- B. Terminal is the commercial passenger terminal located at the Duluth International Airport with a street address of 4701 Grinden Drive, Duluth, MN 55811
- C. 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 or her or by a person designated by him to sign such document.
- D. Sponsored Space shall refer to the approved branded areas for exclusive use as further described in Section 3 below, and shown on Exhibit A.

**SECTION 2  
TERM**

Notwithstanding the date of this Agreement, the Term of this Agreement shall be deemed to commence on June 1, 2023, and will continue through May 31<sup>st</sup>, 2024, unless earlier terminated as set forth herein. This Agreement may be renewed upon mutual written agreement of the Executive Director and Advertiser for up to two additional one-year periods. Each party shall notify the other in writing at least 90 days prior to the expiration of the term or renewal term if they wish to renew the term of the Agreement. Such renewal shall be under the same terms and conditions stated in this Agreement,

### **SECTION 3 LICENSE**

- A. DAA hereby grants to the Advertiser a limited, non-transferable license in the area of the Terminal identified on the attached Exhibit A (the "Licensed Space"). The Licensed Space shall be used solely for the purpose of displaying the Advertiser's advertisement. Advertiser takes the Licensed Space in an "as is" condition without representations or warranties of any kind, and DAA shall not be obligated to make any alterations or improvements on or to the Licensed Space.
- B. Taxes, Assessments and License Fees. The Advertiser 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, charged by any governmental agency and to provide evidence of the Advertiser shall fail or neglect to pay any of said taxes, assessments, license fees or other charges when the same become due, the DAA may pay the same, together with any cost or penalty which may be accrued thereon, and collect the entire amount so paid from the Advertiser, and the Advertiser hereby agrees to pay such entire amount due to the DAA upon demand therefor.

### **SECTION 4 ADVERTISING SPECIFICATIONS**

- A. Advertiser shall provide the advertising content at its sole expense on a mutually agreeable form of media.
- B. Advertiser agrees that the advertising shall solely be used for the purpose of promoting Advertiser's products or services and shall not be used for any other purposes. Advertiser is responsible for all costs related to the design, concept, look and feel of the content used in the advertising. All advertising content is subject to the prior written approval of the DAA's Executive Director or designee (the "Executive Director").
- C. Advertiser shall be solely responsible for the installation and maintenance of the advertising media as set forth herein.
- D. Advertiser shall be responsible for the removal of the advertising media in a timely manner and restoration of the License Space as set forth herein upon a schedule as determined by DAA.
- E. Nothing herein shall restrict DAA in any way from selling advertising, ad space, sponsorships, or any other product or service to any third party on standard commercial terms in other locations, even if such third party is using such advertising, ad space, sponsorships, product or service for the solicitation or sale of products similar to or competitive with Advertiser.

### **SECTION 5 LICENSE FEE**

In consideration for the rights and benefits granted to Advertiser pursuant to this Agreement, Advertiser shall pay to DAA a monthly fee in the amount of \$250.00. (the "Fee") to be paid in advance of the first day of each month of the year at the address set forth in Paragraph 21 below. The initial payment shall be due upon execution of this Agreement.



**SECTION 6  
ADVERTISEMENT INSTALLATION**

The advertisement shall remain installed as it is currently. In the event the Advertiser wishes to update the graphic content, the Advertiser shall be responsible for the production and installation associated with the changed content, and the Advertiser shall pay the installation costs. The updated graphic is subject to the prior written approval of DAA's Executive Director or designee.

**SECTION 7  
MAINTENANCE**

Advertiser agrees to keep the Licensed Space including the advertisement in a clean, neat and orderly condition and in compliance with all laws and codes applicable to the Licensed Space. The Advertiser shall keep the advertisement operational, functional and/or stocked, as the case may be, during all Terminal hours other than as may be required for any repair, maintenance and/or restocking. In the event that the Advertiser shall fail to so maintain any portion of the said Licensed Space, the DAA shall have the right, but not the obligation, to itself perform or have performed said maintenance and to charge the Advertiser therefor, which charge the Advertiser shall promptly pay. Any damage occurring as a result of the DAA performing or having performed maintenance due to the Advertiser's failure to do so shall be the responsibility of the Advertiser and not that of the DAA.

**SECTION 8  
RESTRICTIONS ON ASSIGNMENT**

Except for the contracting or subcontracting of installation, the Advertiser shall not sell, assign, transfer, or convey this Agreement or any part thereof, or sell, assign, transfer, convey, share or sublet its use of the Licensed Space or any part thereof. Any attempt to sell, assign, transfer, convey, share or sublet this Agreement or the Licensed Space or any portion thereof in violation of this Paragraph shall constitute a breach of this Agreement.

**SECTION 9  
REPRESENTATIONS AND WARRANTIES**

Advertiser represents and warrants to DAA that:

- A. Advertiser owns or validly possesses the right to make, use, perform, sell and display any patented products, copyrighted works, trademarks, service marks and trade names, as the case may be, used by Advertiser in its advertisement;
- B. Advertiser has full power and authority to execute and deliver this Agreement and to perform all of its obligations hereunder;
- C. this Agreement has been duly authorized and approved by all necessary and proper corporate action on the part of Advertiser and is the valid, legally binding and enforceable obligation of Advertiser in accordance with its terms; and
- D. the execution, delivery and performance of this Agreement by Advertiser does not conflict with, violate or constitute a default under any of the terms, conditions or provisions of any contract or other instrument to which Advertiser is a party or by which Advertiser is or may be bound.

## **SECTION 10 INDEMNIFICATION**

The Advertiser agrees to defend, indemnify and hold harmless DAA and the City of Duluth (the "City") and their respective officers, agents, servants and employees from and against any and all losses, claims, actions, demands, liabilities, judgments, penalties, injunctive relief, injury to person(s) or property or the Licensed Space, costs, damages and expenses, including reasonable attorney's fees, by reason of any actual or alleged act or omission of Advertiser or Advertiser's officers, employees, agents, contractors, subcontractors or invitees in connection with or relating to (a) Advertiser's use or occupancy of the Licensed Space or the Terminal pursuant to this Agreement, (b) the display of Advertiser's advertising including any allegation that the use of any name, visual presentation or other material is illegal, unauthorized or damaging in any way to a person or entity, or (b) Advertiser's infringement of any intellectual property, including without limitation copyright, patent, or the unauthorized use of a registered trademark or service mark or other violations of property or proprietary rights, or the rights of privacy or publicity of any third party arising from, related to or in connection with this Agreement. Upon ten (10) days' written notice Advertiser shall appear and defend all claims and lawsuits against DAA and/or the City growing out of any such injuries or damages. Neither DAA nor the City waives their respective immunities under state or federal law.

## **SECTION 11 EXPIRATION**

Upon the expiration of this Agreement, the Advertiser's rights to use the Licensed Space shall cease and Advertiser shall, promptly and in good condition surrender the same to DAA. In the event that the Advertiser has in any way changed, altered or modified the Licensed Space, Advertiser agrees to return the same to the condition it was in at the time of the signing of this Agreement. In such event, an authorized representative of the Advertiser shall be available at all reasonable times to coordinate the advertisement removal and Licensed Space restoration. Alternatively, if agreed to by the Executive Director, the Advertiser shall pay DAA for the cost of returning the Licensed Space to said condition unless waived by the Executive Director in writing in which event any improvements or property which have become part of the realty shall become the property of DAA. Any improvements or property not part of the realty shall be removed within ten (10) days of expiration. Such improvements or property not removed may be removed by DAA, and Advertiser shall, immediately upon receipt of invoice, pay for the costs incurred therefor. In such event, all property shall be deemed to have been abandoned to the DAA and the Advertiser's right to possession shall cease.

## **SECTION 12 TERMINATION**

DAA shall have the right to terminate this Agreement upon breach by Advertiser of any of its representations, warranties, covenants or obligations under this Agreement, which breach has not been cured within ten (10) business days after receipt of notice specifying such breach. In the event of a termination by DAA pursuant to this Paragraph, Advertiser shall forfeit all Fees paid and shall further be responsible for payment of the remaining portion of the Fees due under this Agreement. Additionally, DAA shall have the immediate right to take possession of the Licensed Space. Upon five (5) day's written notice to the Advertiser, DAA may remove all property from the Licensed Space, and Advertiser shall, immediately upon receipt of invoice, pay for the costs incurred therefor. In such event, all property shall be deemed to have been abandoned to the

DAA and the Advertiser's right to possession shall cease. In addition, DAA shall have the right to pursue all other rights and remedies at law or in equity.

**SECTION 13  
NO THIRD-PARTY RIGHTS**

This Agreement shall be binding upon and inure solely to the benefit of the parties hereto and no other person shall acquire or have any rights created hereunder.

**SECTION 14  
APPLICABLE LAW**

This Agreement, together with all of its articles, terms and provision, 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 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. The parties to this Agreement waive any objections to the jurisdiction of these courts, whether based on convenience or otherwise.

**SECTION 15  
NOTICES**

All written notices and/or communications hereunder shall be sent by U.S. mail postage prepaid or personal delivery to the addresses indicated and shall be deemed delivered on the date received or refusal thereof.

Any notice provided for in this Agreement or otherwise to the Authority shall be sent to:

Duluth Airport Authority  
Attn: Director of Marketing &  
Communications  
4701 Grinden Drive  
Duluth, MN 55811

Any notice to the Lessee hereunder shall be sent to:

BKR Investments DBA Duluth Pack  
Attn: Andrea Johnson  
1610 West Superior Street  
Duluth, MN 55806

**SECTION 16  
SEVERABILITY**

In the event that any provision of this Agreement is held by a court of competent jurisdiction to be invalid, unenforceable, or violate any applicable law, the remaining provisions shall continue in full force and effect and shall be binding upon the parties to this Agreement.

**SECTION 17  
WAIVER**

Any waiver by either party of any provision of this Agreement shall not imply a subsequent waiver of that or any other provision. In order to be effective, a waiver must be in writing.

**SECTION 18  
LIMITATION OF LIABILITY**

Liability of the DAA and the City shall be governed by the provisions of the Minnesota Municipal Limitation of Liability Statute, Minnesota Statute Section 466 et seq.

**SECTION 19  
AMENDMENTS**

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.

**SECTION 20  
ENTIRE AGREEMENT**

This Agreement, including exhibits, 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. No waiver consent, modification or change of terms of this Agreement shall bind either party unless in writing and signed by both parties. Such waiver, consent, modification or change, if made, shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements or representations, oral or written, not specified herein regarding this Agreement. The Advertiser, by the signature below of its authorized representative, hereby acknowledges that the Advertiser has read this Agreement, understands it and agrees to be bound by its terms and conditions.

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

DATED: \_\_\_\_\_

DULUTH AIRPORT AUTHORITY

BKR Investments DBA Duluth Pack

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

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

President

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

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

Secretary

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

Authorized Representative



**EXHIBIT A  
LICENSED SPACE**



## VII - H

### Duluth Airport Authority Cirrus Aircraft Estoppel Certificate

#### ***Background:***

- Original Cirrus Airport Ground Lease signed in 1993.
- Cirrus has/will purchase the “Incubator” building from City of Duluth.
- City of Duluth & Cirrus have/will enter into a sublease agreement for certain portions of the property.

#### ***Estoppel Overview:***

- Notwithstanding any provision to the contrary in the Ground Lease, DAA, to the extent that DAA’s consent is required under the Ground Lease, hereby consents to the 2023 Sublease Agreement and affirms that from and after the date of commencement of the term of the 2023 Sublease Agreement, Sublessee shall enjoy all of the rights and benefits of a tenant under the 2023 Sublease Agreement; provided that Sublessee, and its successors and assigns, shall use the Premises for aeronautical purposes or uses, which permitted uses include but shall not be limited to aircraft manufacturing, testing, servicing, sales and training.
- To DAA’s knowledge, there are no present defaults under the terms and conditions of the Ground Lease as they effect the Premises, and no event has occurred which, with the giving of notice or passage of time, or both, could result in such a default.

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

- The Estoppel is an exhibit to the sale of the Incubator facility between the City of Duluth and Cirrus.

## EXHIBIT F

### **ESTOPPEL CERTIFICATE**

The undersigned, on behalf of the DULUTH AIRPORT AUTHORITY (“DAA”), a governmental authority organized and existing under the laws of the State of Minnesota, 1969, Chapter 577, hereby certifies and confirms to and agrees with CIRRUS DESIGN CORPORATION, a Wisconsin corporation (“Sublessee”) as follows:

1. DAA as Landlord and DULUTH ECONOMIC DEVELOPMENT AUTHORITY, a public body, corporate and politic and political subdivision under Minnesota Statutes Chapter 469 (“Previous Tenant”) are the original parties to that certain Airport Ground Lease dated as of August 12, 1993 (the “Ground Lease”), a correct and complete copy of the Ground Lease and all amendments thereto are attached hereto as Exhibit B.

2. Pursuant to an Assignment of Rights and Ground Lease and Consents dated February 5, 2002, a correct and complete copy of which is attached as Exhibit C (the “2002 Assignment”), City is the current tenant under the Ground Lease as to that portion of the leasehold property described on the attached Exhibit A (the “Premises”). Note that the Ground Lease also includes property that is not subject to the 2002 Assignment and is not addressed in this Estoppel Certificate.

3. DAA understands that City intends to sublease the Premises to Sublessee pursuant to a sublease agreement (the “2023 Sublease Agreement”). On the date of commencement of the term of the 2023 Sublease Agreement, Sublessee shall become the tenant of the Premises under the 2023 Sublease Agreement. Notwithstanding any provision to the contrary in the Ground Lease, DAA, to the extent that DAA’s consent is required under the Ground Lease, hereby consents to the 2023 Sublease Agreement and affirms that from and after the date of commencement of the term of the 2023 Sublease Agreement, Sublessee shall enjoy all of the rights and benefits of a tenant under the 2023 Sublease Agreement; provided that Sublessee, and its successors and assigns, shall use the Premises for aeronautical purposes or uses, which permitted uses include but shall not be limited to aircraft manufacturing, testing, servicing, sales and training.

4. As to the Premises, the Ground Lease is in full force and effect in accordance with its terms and, as to the Premises, the leasehold interest has been assigned to City, but has not been supplemented, modified or otherwise amended other than to renew the initial term.

5. To DAA’s knowledge, there are no present defaults under the terms and conditions of the Ground Lease as they effect the Premises, and no event has occurred which, with the giving of notice or passage of time, or both, could result in such a default.

6. The current expiration date of the Ground Lease is December 31, 2043 with an option to renew for an additional twenty-five (25) year term. Subject to and upon the terms of the

2023 Sublease Agreement, Sublessee shall be permitted to exercise the renewal option under the Ground Lease.

7. The rent and other charges due under the Ground Lease are currently paid in full through June 20, 2023.

8. DAA currently holds a Security Deposit (as defined in the Lease) from Current Tenant equal to \$0.00.

This Estoppel Certificate and the representations made herein are given by Landlord with the knowledge that Sublessee and other third parties, including any party providing financing to Sublessee in connection with the 2023 Sublease Agreement (any such party, a “Lender”), may rely upon the truth, accuracy and completeness of this certification. This Estoppel Certificate shall be binding upon the Landlord and its successors and assigns, and shall inure to the benefit of Sublessee, its respective successors and assigns, and any Lender.

Executed this 20<sup>th</sup> day of June, 2023.

**LANDLORD:**

Duluth Airport Authority

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

Kimberly J. Maki, President

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

Jeffery D. Anderson, Secretary

STATE OF MINNESOTA    )  
  ) SS  
ST LOUIS COUNTY )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2023, by Board President Kimberly J. Maki of the Duluth Airport Authority, a governmental authority organized and existing under the laws of the State of Minnesota, 1969, Chapter 577, on behalf of the governmental authority.

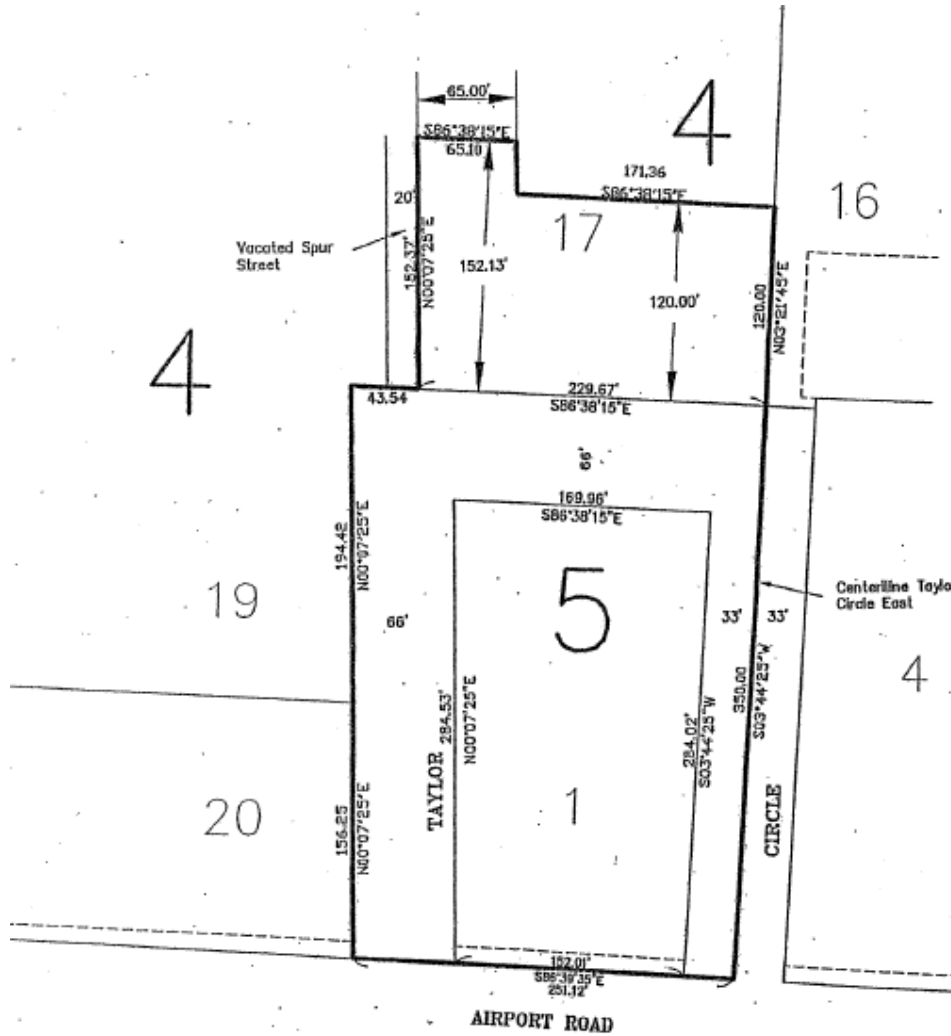
\_\_\_\_\_  
Name: \_\_\_\_\_  
Notary Public, State of Minnesota





EXHIBIT A

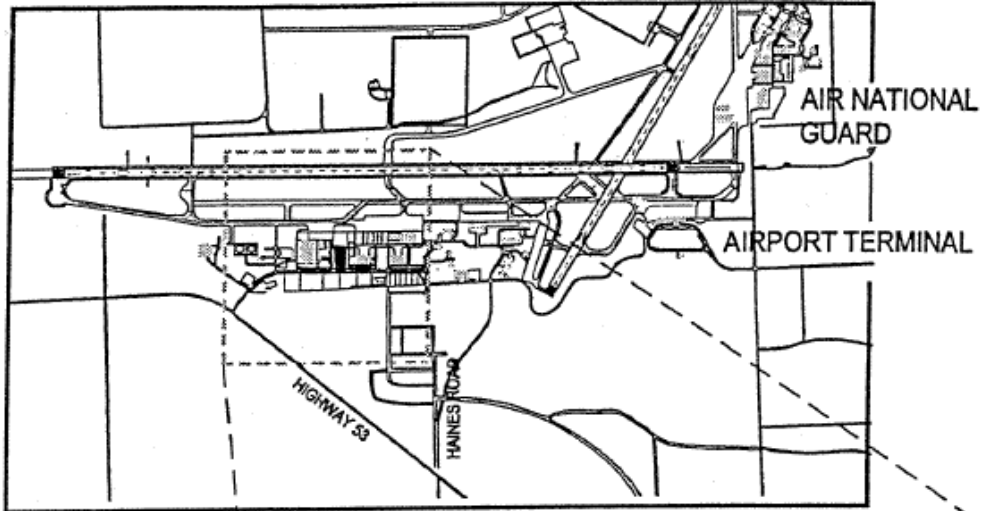
Legal Description of the Land



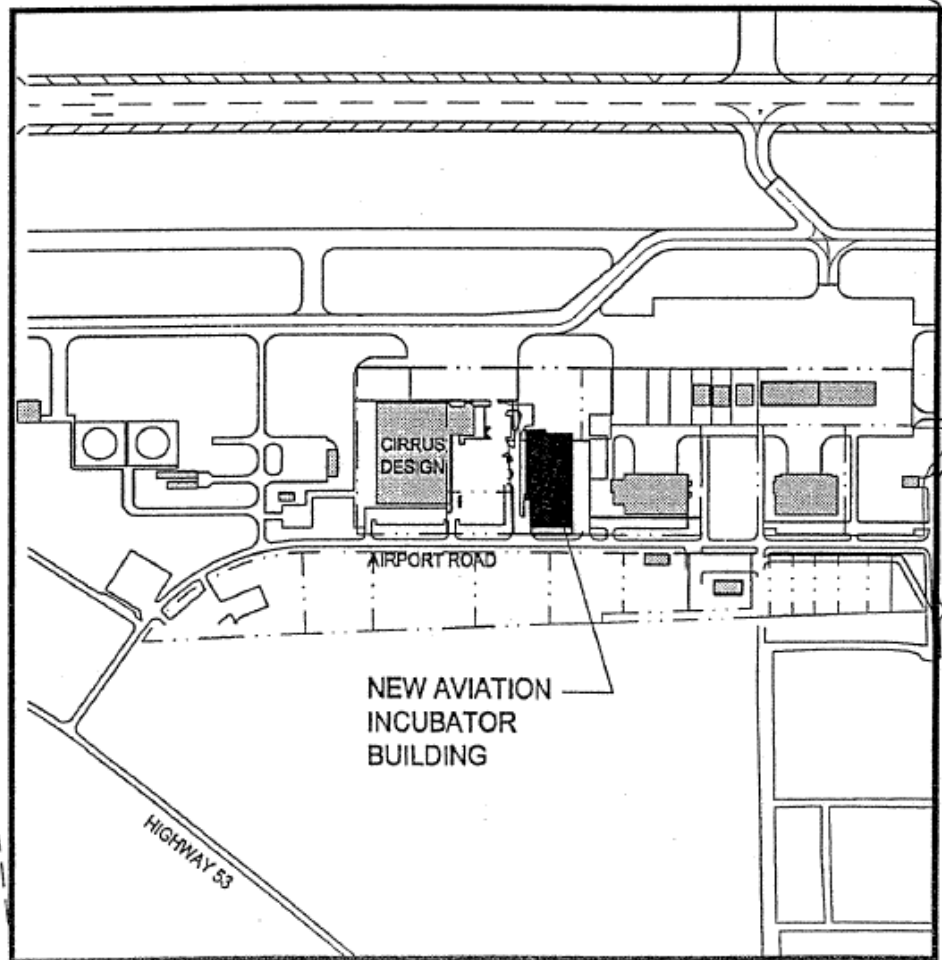
PROJECT PREMISES:

The South 120.00 feet of Lot 17, Block 4, Airport Division and also the South 152.13 feet of the West 65.00 feet of said Lot 17, Block 4, EXCEPT the vacated westerly adjacent spur street; Lot 1, Block 5, Airport Division; and the vacated Taylor Circle, as dedicated in said Airport Division, EXCEPT that part of said Taylor Circle lying easterly of the northerly extended centerline of the easterly portion of said Taylor Circle.

————— Denotes boundary of project premises.



DULUTH INTERNATIONAL AIRPORT



DEDA Cisneros - DAA  
CONTRACT # 93-865 047

**DULUTH AIRPORT AUTHORITY**  
**AIRPORT GROUND LEASE AND AGREEMENT**  
**DULUTH ECONOMIC DEVELOPMENT AUTHORITY**

**AUGUST, 1993**



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**DULUTH AIRPORT AUTHORITY**

**AIRPORT GROUND LEASE AND AGREEMENT**

**DULUTH ECONOMIC DEVELOPMENT AUTHORITY**

THIS GROUND LEASE AND AGREEMENT is entered into this 12<sup>th</sup> day of August, 1993. The Parties to this Agreement are the DULUTH AIRPORT AUTHORITY, a governmental authority organized and existing under the laws of the State of Minnesota, 1969, Chapter 577 (hereinafter referred to as "Authority"), and DULUTH ECONOMIC DEVELOPMENT AUTHORITY, a public body, corporate and politic, existing under the laws of the State of Minnesota (hereinafter referred to as "Lessee").

**ACKNOWLEDGEMENTS**

**WHEREAS**, Authority is the operator and leasing agent for properties located at Duluth International Airport in Duluth, Minnesota; and

**WHEREAS**, Lessee is desirous of leasing a portion of said property for the purpose of releasing and development; and

**WHEREAS**, Authority is desirous of leasing property to Lessee for that purpose.

**NOW THEREFORE**, in consideration of the mutual covenants and conditions hereinafter contained, the parties hereto agree as follows:

**ARTICLE 1.**

**DEFINITIONS**

- A. **Agreement**: shall mean this Agreement, as originally executed or as it may from time to time be modified, amended or supplemented pursuant to the provisions hereof.
- B. **Airport**: shall mean the Duluth International Airport located in and adjacent to the City of Duluth, County of St. Louis, State of Minnesota.

- C. **Consent or Approval of Authority and of Executive Director:** Where this Agreement shall call for the consent or approval of Authority, the same shall be in the form of a resolution approved by Authority as provided for by law; where the consent or approval of the Executive Director is required, the same shall be evidenced by a written document signed by him or by a person designated by him to sign such document unless the Agreement otherwise specifically provides.
- D. **C.P.I.:** shall mean the annual Consumer Price Index as produced by the Department of Commerce of the Government of the United States of America. In the event that the foregoing index shall no longer be produced, the term, "C.P.I.", shall be that index determined by Authority to most accurately reflect the changes in economic values represented by the C.P.I. at the time of the signing of this Agreement; in said event Authority shall notify Lessee of the index to be used under the terms of this Agreement. (Alternate - see Attachment 1).
- E. **Leased Premises:** shall mean that property located at the Airport in the City of Duluth, County of St. Louis, State of Minnesota, described as **Lots 18 and 19, Block 4 Airport Division**, according to the recorded plat thereof and as is identified in Exhibit A attached hereto and made a part hereof.
- F. **Leasehold Improvements:** shall mean any improvements constructed by Lessee or any of its sub-Lessees, and the other improvements constructed, purchased or installed on the Leased Premises, including such items as buildings, structures, decorations, partitions, wiring, lighting and plumbing fixtures, piping, finished ceilings, ventilation duct work, grills, floor and wall coverings, heaters, cabinets, lockers, sinks, counters, chairs and other furniture, and signs.
- G. **Expansion Premises:** shall mean that property located at the Airport in the City of Duluth, County of St. Louis, State of Minnesota, described as **Lots 17 and 21 Block 4 and Lot 1, Block 5 Airport Division**, according to the recorded plat thereof together with that **land extending westerly from Lot 21, Block 4 approximately Three Hundred**

Twenty-Five (325) feet to the Airport access road and as is identified in Exhibit B attached hereto and made a part hereof.

- H. **Permitted Encumbrances:** shall mean this Agreement or the lease with Industrial Resources Corporation and its subtenants and any mortgage or mortgages and contract or contracts, deed of trust, or other proper instrument, made in connection with the construction or operation of facilities on the Leased Premises by Lessee or its sub-Lessees, or, any other encumbrances expressly permitted in writing by Authority which approval shall not be unreasonably withheld.

## ARTICLE 2.

### LEASE

A. **Effective Date:**

This Agreement is effective and enforceable upon full and complete execution by all Parties hereto.

B. **Leased Premises:**

Authority does hereby agree to lease and demise to Lessee, and Lessee agrees to take and lease from Authority, the Leased Premises upon the terms and conditions set forth in this Agreement.

C. **Permitted Use:**

The Leased Premises shall be used only for the those purposes permitted under existing Airport Master Plan, local zoning and Fixed Base Operator Rules as approved by the Authority and as may be reasonably amended; the Authority herewith recognizes that the Lessee and any of its sub-Lessees, as an initial use, will construct a facility which shall be used for designing, manufacturing and fabricating aircraft for sale to the general public, and for selling the same, and providing training and warranty-related service for the same, including all ancillary, associated or necessary additional uses and activities for successful business operation, during the term of this Agreement.



D. Expansion Premises:

The Authority agrees to exercise all deliberate speed and good faith to clean all soils (provided the funds are supplied by Lessees or others) on Lot 20, Block 4 within twelve (12) calendar months; and if and when said parcel is environmentally clean without encumbrances, said parcel will be added to and become part of the Expansion Premises. In consideration of Lessee advancing to or expending, on behalf of the Authority, public street and public utility improvements, the Authority does hereby agree that, if Lessee is in compliance with this Agreement, then, during the first five (5) year term of this Agreement, Lessee shall have the right to lease, under similar terms and unit rent charges, all or any portion of the Expansion Premises provided sub-Lessee has met the provisions of the Development Agreement Between Duluth Economic Development Authority And Industrial Resources Corporation, A Minnesota Corporation (herein after referred to as "Development Agreement"). In the event Lessee desires to lease less than the full Premises, Lessee shall be permitted to lease a portion Expansion Premises which shall be contiguous to Lessee's then current Leased Premises. Upon exercise of right to lease any portion including less than all of the Expansion Premises, the right to lease the remaining Expansion Premises shall be renewed for an additional five (5) year term if Lessee, or any sub-Lessee of Lessee, shall within six (6) months of the lease of said additional property, begin construction of a project on said additional property having a minimum cost of One Hundred Thousand Dollars (\$100,000) and a minimum size of six thousand (6,000) square feet; each time Lessee expands as hereinbefore provided, the right to lease the remaining portion unleased portion of the Expansion Premises shall be renewed for an additional Five (5) year period until such time as Lessee fails to timely exercise the Lease right. If Lessee fails to timely exercise the Lease right or fails to construct the minimum cost project within the time described, this right shall lapse. If Lessee desires to exercise this right, it shall give Authority ninety (90) days written notice thereof, and shall, within thirty (30) days, receive Authority's written approval or disapproval of plans as provided in this Ground Lease. In the event Lessee shall exercise its right, Lessee and Authority shall add that portion of the Expansion Premises described in the Notice to this Agreement. Any Expansion Premises currently under lease to a third party shall only become subject to this right at such time as said portion of the Expansion

Premises becomes available from said third-party lessee; Authority will not extend or renew any existing third party lessee which is part of the Expansion Premises.

E. **Common Premises:**

In addition to the foregoing, Authority does grant to Lessee and its sub-Lessee and their employees, customers and contractors access in common with the access granted to members of the general public, to all public portions of the Airport. Authority further agrees that its Executive Director will grant Lessee and its sub-Lessee access to runways, taxiways and ramps; provided, however, that the use of all such Airport facilities shall be subject to such terms and under such rules and regulations as may now exist or may, from time to time, be approved by Authority and shall further be subject to such reasonable charges as may be established from time to time among various classes of users at the Airport by Authority without discrimination.

**ARTICLE 3.**

**PLANS AND CONSTRUCTION**

A. **Drawings and Specifications:**

At the time Lessee receives them and prior to the commencement of construction of any Improvements on the Leased Premises, Lessee shall submit working drawings and specifications of the Improvements to be constructed, together with detailed site, grading, utility and landscaping plans and elevations to the Executive Director for his rejection or approval, as existing within or in violation of an existing Authority rule or regulation; such approval shall not be unreasonably withheld. All such plans, specifications and elevations shall be in conformity with this Agreement and with all applicable laws, ordinances, rules, regulations and requirements of the Authority, City of Duluth, County of St. Louis, State of Minnesota, and United States of America Authorities. Failure of the Executive Director to object within ten (10) days of receipt, shall constitute approval. If the Executive Director rejects such plans, specifications and elevations in whole or in part, and within the permitted time, Authority agrees to notify Lessee of such rejection, together with a specific reason or reasons stated therefore, and the Lessee shall be permitted to resubmit the plans in the same manner

as outlined above. No construction of the development referred to herein or of any Leasehold Improvements related thereto shall commence prior to the submission for approval of said plans, specifications and elevations. Authority acceptance of Lessee's plans, specifications and elevations shall not constitute a waiver by Authority or the City of Duluth of the building codes or ordinances or other developmental duties to be imposed in the future upon Lessee by law. Lessee expressly agrees to be solely responsible for all costs, including architectural fees, connected with the plans, specifications and elevations described herein.

**B. Changes After Initial Approval:**

Any material changes made to the plans by Lessee after the initial approval of the Executive Director shall be submitted to him for acceptance in the same manner as provided for in Paragraph A above.

**ARTICLE 4.**

**TERM**

**A. Initial term:**

The initial term of this Agreement shall commence on the date stated in Article 2, Paragraph A, and shall run until December 31, 2018 (the "Initial Term"), unless sooner terminated as hereinafter provided.

**B. Option Term:**

At the end of this initial term this Agreement may, at the option of Lessee, be renewed for a second term of twenty-five (25) years. In this event the rent for the second term shall be determined by a continuation of the rate setting calculation set out in this Agreement. The rental rate charged shall be for unimproved ground only, and shall not take into consideration any of the Leasehold Improvements. At the end of the first (1st) renewal term, Lessee may renew for a second (2nd) renewal term of twenty-five (25) years under the same conditions as the first (1st) renewal.



**ARTICLE 5.**  
**PAYMENTS**

**A. Rent:**

Upon the signing of this Agreement, Lessee hereby agrees to pay Authority the sum of Ten Cents (\$.10) per square foot of Leased Premises for a total of Thirteen Thousand Four Hundred Ninety Dollars (\$13,490) per year as rental for Leased Premises, said sum being due and payable as provided for herein. Additionally, upon the exercise of Lessee's option to rent any of the Expansion Premises, Lessee shall be obligated to pay Authority the same per square foot rate of rental as Lessee is then paying for the Leased Premises. The amount of rental shall be adjusted as provided for in Paragraph C of this Article. Notwithstanding the Rent Abatement, the minimum rent payable hereunder shall not be less than Four Cents (\$.04) per square foot which equates to a minimum total rent of Five Thousand Three Hundred Ninety-six Dollars (\$5396) as rental for the Leased Premises; the minimum per square foot will also apply to the Expansion Property.

**B. Rent Parity:**

Authority agrees to charge not less than Ten Cents (\$.10) per square foot for future leases of land with access to the air operations portion of the Airport. The Authority will grant Lessee a reduction in rent should future tenants pay less than Ten Cents (\$.10) per square foot on a net comparable basis. Authority will, at lease renewals of other tenants (with access to the air operations portion of the Airport) at current lower rates, bring such tenants up to parity with the rates paid by Lessee.

**C. Rent Abatement:**

In consideration of Lessee's performance of all of its obligations under this Agreement, and Lessee's agreement to Authority to remove or clean unstable or environmentally contaminated soil and to indemnify the Authority from the environmental cleanup costs on the Leased Premises, Authority hereby agrees to provide Lessee a rental abatement of Sixty Percent (60%) of the annual ground rent until Lessee has recovered all unreimbursed costs of site correction and/or cleanup and utility and road improvements;



provided, Lessee has not received reimbursement from a third party and provided that if Lessee shall be in default in any of the terms and conditions of this Agreement, at the discretion of Authority, all such abated rental payments not then made shall immediately become due and payable to Authority and shall be deemed to have borne interest at the rate of five percent (5%) per annum from the date that they would have been due had said payments not been abated pursuant to the terms and conditions of this Paragraph.

**D. Rental Adjustment:**

The annual rent for the term of this Agreement and any renewals thereof and/or exercise of Expansion for Expansion Premises in Article 2 D shall be adjusted in accordance with the increase or decrease in the C.P.I. over the period from the beginning of this Agreement or the last date of rental adjustment. The initial adjustment shall be made and effective January 1, 1998, and shall be increased or decreased by the C.P.I. increase or decrease factor from the Effective Date of this Agreement. This adjusted rent shall be the effective rate for a period of five (5) years and shall thereafter be similarly adjusted every five (5) years during the term of this Agreement and any extensions thereof. Under no circumstances shall the adjusted annual rent be greater than the ground rent charged under leases executed or amendments executed subsequent to this Agreement, nor shall the annual increase be greater than three percent (3%). (Alternative - see Attachment 1). Authority shall have the exclusive option to use the Alternative Rental Adjustment attached as Attachment 1 and incorporated herein by reference.

**E. Miscellaneous Payments and Services:**

1. Airport User Charges

Lessee shall, in addition, pay all Airport usual and customary user charges for common areas, such as landing fees, tiedown fees, fuel flowage fees and any other fees associated with use of Airport facilities commonly charged to other users of the Airport without discrimination.

2. Refuse and Garbage

Lessee assumes all responsibility for the disposal of refuse and garbage generated by its operations at the Airport and agrees to absorb all costs related thereto.

3. Utilities - Right of Entry

Lessee agrees to provide such heat, air conditioning, electricity, sewer, gas and water as are reasonably necessary for Lessee's operations at no cost to Authority. Authority and its agents, assigns, or licensees, reserves an easement and license to go upon the Leased Premises to install, maintain, construct or repair any water, gas, sewer, electrical or other utilities as needed to maintain or improve utilities on the Airport; provided, however, that this right must be exercised in a reasonable manner and without cost to Lessee or damage to Lessee's property. If entry is required hereunder into any building, the appropriate confidential agreements of Lessee or sub-Lessees.

4. Licenses, Fees and Taxes

Lessee hereby agrees to pay all license, fees, taxes and assessments of any kind whatsoever which are assessed by government taxing authorities and arise because of, out of, or in the course of any operations covered by this Agreement during the term hereof. Should Lessee fail to pay such amounts, it is expressly agreed that Authority may pay the same on behalf of Lessee and immediately collect the same from Lessee.

5. Right to Contest

Lessee shall have the right to contest the validity or amount of any tax, assessment or charge, lien, or claim of any kind in respect to the Leased Premises. Lessee shall, if Authority requires the same in writing and if the taxes or other assessments have not been paid under protest or otherwise escrowed or provided for, furnish reasonable security for the payment of all liability, costs and expenses at the end of the litigation, and Lessee, so long as the matter shall remain undetermined by final judgment, shall not be considered in default hereunder by the nonpayment thereof; provided, however, that Lessee shall not, under these provisions, permit the Premises or any buildings or improvements situated thereon, to be sold or forfeited, and failure by Lessee to do

what is necessary to prevent any such sale or forfeiture within ten (10) days from the publication or receipt of notice for sale or forfeiture, shall be deemed to be a default hereunder, and Authority may, at its option, pay any such sum as may be required to avoid the sale or forfeiture and seek reimbursement for its cost from Lessee.

**F. Time for Payment and Manner of Payment**

1. Rental

All annual payments for rental, as provided for in Paragraph A above, shall be due and payable on the first (1st) day of the month of each Agreement year of Lessee's occupancy of the Leased Premises.

2. Airport User Fees

Lessee shall pay all Airport normal and customary user fees when Airport rules and regulations provide that such fees shall be paid, whether at the time that said user fees are incurred or when billed by the Authority, as provided for by Authority procedures and regulations.

3. Reimbursements

All reimbursements to Authority called for by this Agreement shall be due and payable promptly upon being billed by Authority to Lessee.

**ARTICLE 6.**

**FUTURE CONSTRUCTION AND LEASEHOLD IMPROVEMENTS**

**A. Construction Standards and Approvals:**

Any construction or Leasehold Improvements done by Lessee, or under his direction, over and above that contemplated by the Development Agreement above, shall conform to all applicable regulations, building codes, and health standards and:

1. Construction Approval

Complete contract drawings and specifications on all work, including alterations,

additions or replacements, must be submitted for and receive approval according to Article 3 Paragraph A hereof.

2. Construction

All work must be done by competent contractors or by Lessee itself. Lessee shall comply with the indemnity and insurance and bond requirements of this Agreement.

3. Construction Representative

An authorized representative of Lessee or sub-Lessee shall be available at all reasonable time at the site to coordinate the work of the Leasehold Improvements.

**B. Construction Bonds and Insurance.**

1. Bonds

During the term of this Agreement, when any Leasehold Improvements are constructed, installed or renovated, Lessee shall, or shall cause sub-Lessee, to secure bond or bonds to be conditioned for payment of claims as required and in full compliance with Minnesota Statutes Section 574.26, or such other security necessary to protect against mechanics or materialmen liens.

2. Contractor's Insurance

Lessee will provide or require its contractor or contractors to provide insurance complying with the requirements of Lessee.

**ARTICLE 7.  
PROVISION AGAINST LIENS**

Only Permitted Encumbrances shall be allowed.



**ARTICLE 8.  
MAINTENANCE OF PREMISES**

- Lessee agrees to maintain the Leased Premises in a clean, neat and orderly condition and in compliance with all codes for such facilities.

**ARTICLE 9.  
QUIET ENJOYMENT  
POWER OF ATTORNEY FOR SITE WORK**

Authority covenants that Lessee, upon payment of the rentals reserved herein and the performance of each and every one of the covenants, agreements, and conditions on the part of Lessee to be observed and performed, shall and may, peaceable and quietly, have, hold and enjoy the Leased Premises for the term of aforesaid, free from molestation, eviction or disturbance. Without cost to the Authority and only after written request, the Authority grants right of entry to Lessee and a power of attorney to collect, give all notices and take all acts in the name of the Authority that Lessee deems necessary to clean the Premises, the Expansion Premises or any adjoining land where migration may be a problem.

**ARTICLE 10.  
INDEMNIFICATION AND INSURANCE BY LESSEE**

**A. Indemnity By Lessee:**

Lessee will defend, indemnify and hold Authority and City (hereinafter referred to as "City") of Duluth harmless from any loss, cost or expense in any way arising out of or resulting from any acts, omissions, negligence, or based upon the violation of any federal, state, or municipal laws, statutes, ordinances or regulations by Lessee, its agents, employees, sublessees or those under its control; in, on or about the Leased Premises; and on ten (10) days' written notice from Authority, Lessee will appear and defend all claims and lawsuits against Authority growing out of any such injury or damage. Lessee's liability hereunder shall not be limited to the extent of insurance carried by or provided by Lessee or subject to any exclusions from coverage in any

insurance policy. Lessee shall not be liable for any injury, damage, or loss occasioned by the negligence or wilful misconduct of Authority, its agents, employees or other lessees of Authority.

**B. Indemnity By Authority:**

Authority will defend, indemnify and hold Lessee harmless from any loss, cost or expense in any way arising out of or resulting from any acts, omissions, negligence, or based upon the violation of any federal, state, or municipal laws, statutes, ordinances or regulations by Authority, its agents, employees, licensees, successors and assigns, or those under its control, in, on or about the Leased Premises; or in connection with its use provided; and on ten (10) days' written notice from Lessee, Authority will appear and defend all claims and lawsuits against Lessee growing out of any such injury or damage. Authorities' liability hereunder shall not be limited to the extent of insurance carried by or provided by Authority or subject to any exclusions from coverage in any insurance policy. Authority shall not be liable for any injury, damage, or loss occasioned by the negligence or wilful misconduct of Lessee, its agents, employees or other lessees of Lessee.

**C. Insurance:**

Lessee shall cause any sublessees to provide for purchase and maintenance of such insurance as will protect Lessee, Authority and City against risk of loss or damage to the project and any other property permanently located or exclusively used at the Leased Premises and Expansion Premises and against claims which may arise or result from the maintenance and use of the premises, including operations conducted in connection with construction of improvements thereupon, including:

1. Property Insurance

Lessee will require any sub-Lessee to name the Authority as a loss payee for the limited purpose of site cleanup in any property insurance policy.

2. Liability Insurance

During the construction period (unless covered under the policies required previously) and permanently thereafter for the balance of the term of this Agreement, as extended,

Lessee shall require any sub-Lessee to procure and maintain continuously in force Public Liability Insurance written on an "occurrence" basis under a Comprehensive General Liability Form in limits of not less than Five Million Dollars' (\$5,000,000) aggregate per occurrence for personal bodily injury and death, and limits of Five Million Dollars (\$5,000,000) for property damage liability. If per person limits are specified, they shall be for not less than One Million Dollars (\$1,000,000) per person and be for the same coverage. Authority and City shall be named as an additional insured therein. Insurance shall cover:

- (1) Public liability, including premises and operations coverage;
- (2) Independent Contractors - protective contingent liability;
- (3) Personal injury;
- (4) Owned, non-owned and hired vehicles;
- (5) Contractual liability covering the indemnity obligations set forth herein; and
- (6) Inventory--completed operations.

3. Workers' Compensation

Workers' Compensation Coverage in statutory amounts with "all states" endorsement unless qualified as a self-insurer under Minnesota Law, and evidence of such qualification is to be furnished to Authority by any sub-Lessee. Employees liability insurance shall be carried in limits of One Hundred Thousand Dollars (\$100,000) per employee.

4. Requirements for All Insurance

All insurance required in this Article 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 Minnesota.

5. Certifications

Lessee shall be required to supply to Authority written certifications of insurance as requested by Authority requiring the insurer to give Authority thirty (30) days' written notice prior to cancellation or modification of said insurance. In the event that the

"Accord" form of certificate is used, the words "endeavor to" shall be stricken from the notice provisions thereof.

6. Destruction or Damage

In the event that the Leasehold Improvements are destroyed or substantially damaged by fire or other casualty, Lessee shall have the option of repairing or rebuilding said improvements and the previously approved plans and specifications or constructing new improvements in conformance with the terms of this Agreement and the plans and specifications for which shall be developed and approved in conformance with this Agreement. All such work shall be performed and completed within one hundred eighty (180) days of the time of the occurrence of the aforesaid fire or other casualty and Lessee shall thereafter continue to be obligated to pay Authority rental and other charges as provided for in the Agreement until its termination in accordance with the terms thereof.

7. Modifications of Insurance

Because of the duration of this Agreement and the uncertainty as to future property values and financial risks related to death, personal injury and property damage, the parties hereto agree that Authority shall have the right to increase the levels of insurance required by this Article or to modify the form of insurance required at such times and in such a manner as is reasonably necessary to provide Authority with the level of protection provided for in this Agreement on the date of its signing.

D. Hazardous Waste:

Nothing to the contrary of the generality of the foregoing withstanding, except as provided for below, it is specifically agreed between the Parties that Lessee shall require any sub-Lessee to be responsible in all respects for the use of or generation of any substance classified as "hazardous waste" or a "pollutant" by either the Environmental Protection Agency of the Government of the United States or the Minnesota Pollution Control Agency or any other government agency that may in the future be responsible for environmental policy or enforcement. Lessee shall specifically be responsible for the disposition of all such substances and for the



cleanup of environmental condition deemed by any of those agencies to require environmental cleanup activities of any kind, which need arises, directly or indirectly, out of Lessee's operations at the Airport, regardless of where the cleanup occurs, and Lessee specifically agrees that the obligations of Paragraph A above shall apply specifically to any costs or obligations of Authority arising out of any such disposition or cleanup. Provided, however, that the Parties hereto acknowledge the probability of the existence of preexisting contamination on the Leased Premises and Option Premises. It is agreed by the Parties that it shall be the obligation of Lessee, to remediate the site conditions as otherwise provided in this Agreement.

## ARTICLE 11

### ENVIRONMENTAL INDEMNIFICATION

**A. Lessee's Environmental Cleanup:**

Lessee will exercise all deliberate speed and best efforts to clean any soil contaminated with Environmentally Regulated Substances, as defined in the Lease, on the Leased Premises and Expansion Premises to bring the soil into compliance with state, federal and local standards described in Lease and Development Agreement for soil contamination as evidenced by a site closure letter or other form of release issued from EPA or MPCA or other site control or a governmental agency. For all site and cleanup work after work on the Leased Premises, Lessee will give the Authority notice of the plan and expected costs. Lessee will have no responsibility to indemnify or hold Authority harmless if Authority brings any environmentally regulated substances onto the Leased Premises or causes further contamination after cleanup. Lessee will be reimbursed through rent abatement by Authority for the unreimbursed stated cleanup.

**B. Authority's Obligations:**

Authority agrees to grant the power of attorney herein and to aid Lessee in its cleanup of the Leased Premises in applications with any and all governmental authorities which govern the cleanup activities, in all reimbursement applications related to the cleanup and any legal assignment of rights necessary to obtain contribution by responsible parties other than Authority or the.

**ARTICLE 12.**  
**DEFAULT AND TERMINATION**

**A. General:**

In the event that any one or more of the following events shall occur, then in its discretion, Authority shall have the right to terminate this Lease, or to bring action against Lessee thereafter for damages as the same may from time to time accrue.

1. Filing of Lien

Any lien shall be filed against the demised premises because of an action or omission of Lessee and shall not be discharged or contested by Lessee in good faith by proper legal proceedings within sixty (60) days after receipt of notice thereof by Lessee; or

2. Failure to Observe Lease Terms

Lessee shall fail to keep, perform and observe each and every promise, covenant and agreement set forth in this Agreement or on its part to be kept, performed or observed, and such failure shall continue for a period of more than thirty (30) days after transmission to Lessee by Executive Director of a written notice of such breach or default. Or in the event that cure cannot be completed within said thirty (30) day period, Lessee fails to commence cure promptly upon receipt of notice of such breach or default and to complete the cure thereof within the period that the Executive Director, in his sole discretion, has granted to Lessee, in writing, for the purpose of curing the breach.

**B. Nonwaiver:**

Any waiver of any breach of covenants herein contained to be kept and performed by Lessee, shall not be deemed or considered as a continuing waiver and shall not operate to bar or prevent Authority from declaring a forfeiture for any succeeding breach either of the same condition or covenant or otherwise.

**C. Mortgage of Leasehold Interest:**

Lessee shall have the right to place priority mortgage liens, (which may take the form

of a financing lease), (hereinafter referred to as "the mortgage"), upon improvements to the Leased Premises. All of the Lessee rights and obligations under this Lease shall inure to the benefit of such Lender named in said mortgage (hereinafter referred to as the "Lender") and its assignees. The Lender named in such a mortgage shall have the following rights and shall be subject to the following duties:

1. Lender Continuation

In the case of a default by the Lessee under the terms of the mortgage, a Lender shall have the right to assume the rights, benefits, duties, and obligations granted and imposed upon the Lessee under the terms of this Lease, with the right to assign the Lender's interest acquired from the Lessee under this Lease to a third party. In the event that the Lender assumes the responsibilities of the Lessee under the terms of this Lease, the aggregate and total financial obligations of the Lender assumed under the terms of this Lease shall not exceed the fair market value of the Lessee's continuing interest in the Leased Premises as if the Lessee were not in default.

2. Assignment

In the event the Lender chooses to assign its rights under this Lease to a third party, the Lender shall allow the Authority written notice and a thirty (30) day period for the Authority to pay the Lender in full the amount of indebtedness secured by Lessee or sublessees assignment to lender and receive an assignment of Lender's interest. In the event of Lender's assignment, the Lender's obligations as a substituted Lessee shall cease upon the assignment of the Lender's rights as a substitute Lessee to a third party.

3. Notice Rights Of Authority

As a condition precedent to the exercise of the right granted to Lender by this paragraph, Lender shall notify Authority of all action taken by it in the event of a default by Lessee on the mortgage. Lender shall also notify Authority, in writing, of any change in the identify or address of the Lender.

4. Notice Rights of Lender

All notices required by to be given by Authority to Lessee with regard to default or any other failure by Lessee under this Lease shall also be given to Lender at the same time and in the same manner but only after Lender has notified Authority of the request of duplicate notice. Upon receipt of such notice, Lender shall have the same rights as Lessee to correct any default.

5. Estoppel Certificate

Within ten (10) days after Lessee's request, Authority shall deliver an Estoppel Certificate, a declaration to any person designated by Lessee, (1) ratifying this Lease; (2) stating the commencement and termination dated and the rent commencement date; and (3) certifying (i) that this Lease is in full force and effect and has not been, to the knowledge of the Authority, assigned, modified, supplemented or amended (except by such writings as shall be stated); (ii) that all conditions under this Lease to be performed by Lessee have been satisfied (stating exceptions, if any) (iii) no defenses or offsets against the enforcement of this Lease by Lessee exist (or stating those claimed); (iv) the date to which rent has been paid, and such other information as Lessee reasonably requires.

**ARTICLE 13.**

**ATTORNEY'S FEES AND COSTS**

In the event Authority shall prevail in any action or suit or proceeding brought by Authority to collect the rent due or to become due hereunder or any portion thereof, or to take possession of the demised premises, or to enforce compliance with this Agreement or for failure to observe any of the covenants of this Agreement, Lessee agrees to pay Authority such sums as the court may adjudge reasonable as attorney's fees and costs to be allowed in such action, suit or proceeding. In the event Lessee shall prevail in any action or suit or proceeding brought by Lessee to enforce compliance with this Agreement or for failure to



observe any of the covenants of this Agreement, Authority agrees to pay Lessee all reasonable attorney's fees and costs for enforcing such terms of the Agreement.

#### **ARTICLE 14.**

##### **SURRENDER OF POSSESSION - RIGHTS TO PROPERTY**

Upon the expiration or other termination of this Agreement, Lessee's authority to use the Leased Premises, rights, facilities and equipment herein granted shall cease and Lessee shall, upon termination or expiration, promptly and in good condition surrender the same to Authority except as set forth below. Upon termination, any Leasehold Improvements which have become a part of the realty, including buildings and structures, and which improvements Lessee has not removed and thereafter restored the Lease Premises, shall become the property of Authority, and the same, together with the Leased Premises, shall be immediately returned to the control of Authority. Any Leasehold Improvements not a part of the realty shall be removed therefrom within sixty (60) days after the termination of this Agreement or the same shall be deemed to have been abandoned to Authority and the right of the Lessee to possession thereof shall cease.

#### **ARTICLE 15.**

##### **LAWS, RULES AND REGULATIONS**

Lessee agrees to observe and comply with all laws, ordinances, rules and regulations of the United States of America, the State of Minnesota, the City of Duluth, the Duluth Airport Authority, and their respective agencies which are applicable to its business at the Airport, including, but not limited to, all environmental laws and regulations, and further agrees to observe and comply with all reasonable Airport rules and regulations in existence at the execution of this Agreement and which may, from time to time, be promulgated by Authority governing conduct on and operations at the Airport and the use of its facilities, as administered by the Executive Director. Further, Lessee agrees to fulfill its responsibilities pursuant to the Airport Security Plan approved by the Federal Aviation Administration and any amendments thereto.

**ARTICLE 16.**  
**CIVIL RIGHTS ASSURANCES**

Lessee for himself, his personal representatives, successors and interests and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running 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 be otherwise subjected to discrimination in the use of said facilities.
2. That in the construction of any improvements on, over or under such land in 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.
3. That Lessee shall use the premises in compliance with all of the requirements imposed by or pursuant to Title 49 Code of Federal Regulations, Department of Transportation Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the Department of Transportation - Effectuation Title VI of the Civil Rights Act of 1964 and as said Regulations may be amended.

**ARTICLE 17.**  
**SUBORDINATION - GOVERNMENT COMMITMENTS**

Nothing herein shall be construed to prevent Authority from making such commitments as it desires to the Government of the United States or to the State of Minnesota in order to qualify for the expenditure of Federal or State funds at the Airport or related in any manner to the operation thereof, and this Agreement shall be subordinate to the provisions of any existing or future agreement between Authority and the Government of the United States or of the State of Minnesota relative to the operation or maintenance of the Airport. Nothing shall hereby be interrupted to permit Authority to breach the basic intent of this Agreement to provide commercial aircraft development facilities.

**ARTICLE 18.**  
**AMENDMENT OR MODIFICATION**

This Agreement may be amended or modified only by a written instrument, dated, and duly executed by the authorized representatives of each of the respective Parties. This Agreement constitutes the entire agreement of Authority and Lessee on the subject matter thereof.

**ARTICLE 19.**  
**FORCE MAJEURE**

Under the terms of this Agreement, neither Authority nor Lessee shall be considered in default or in breach of any of its terms with respect to the timing of the commencement or completion of the construction or the availability of the Leased Premises for construction in the event of enforced delay in the performance of its obligations due to unforeseeable causes beyond its control and without its fault and negligence including, but not limited to, acts of God, acts of a public enemy, acts of the federal government, fires, floods, epidemics, strikes or embargoes, or for delays of subcontractors due to such causes. In the event of any such delay, any time for completion or delivery under this Agreement shall be extended for a reasonable period upon written notice from the parties seeking the extension to the other party.

**ARTICLE 20.**  
**NOTICES**

Notices to be provided for herein shall be sufficient if delivered in person or sent by registered mail, postage prepaid, addressed as follows:

To the Duluth Airport Authority:  
4701 Airport Drive,  
Duluth International Airport,  
Duluth, Minnesota, 55811;

To Duluth Economic Development Authority:  
Room 402, City Hall  
Duluth, Minnesota, 55802

or to such other respective persons or addresses as the parties may designate to each other in writing from time to time.

**ARTICLE 21.  
APPLICABLE LAW**

This Agreement, together with all of its articles, terms and provisions, is made in the State of Minnesota and shall be construed and interpreted according to the laws of the State of Minnesota.

**ARTICLE 22.  
DRUGS AND ALCOHOL**

Lessee's operations and use of the premises shall be in conformance with all federal, state, and local laws, regulations or valid orders and policies controlling drug or alcohol use or possession on the Airport.

**ARTICLE 23.  
DUTY TO BE REASONABLE**

Wherever in this Agreement the Authority is to give its consent, approval or otherwise exercise discretion in judgment, such consent, approval or judgment shall not be unreasonably exercised or unreasonably withheld.

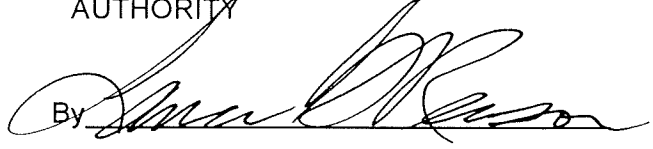


IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this \_\_\_\_\_ day of August, 1993.

DULUTH AIRPORT AUTHORITY

DULUTH ECONOMIC DEVELOPMENT  
AUTHORITY

By \_\_\_\_\_

By 

Approved as to Form:

\_\_\_\_\_  
Deputy City Attorney

Countersigned:

\_\_\_\_\_  
City Attorney

CITY OF DULUTH            )  
  ) ss.  
COUNTY OF ST. LOUIS    )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of August, 1993, by \_\_\_\_\_ of the Duluth Airport Authority, a governmental authority, on behalf of the Authority.

\_\_\_\_\_  
Notary Public

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this 12<sup>th</sup> day of August, 1993.

DULUTH AIRPORT AUTHORITY

By [Signature]  
President

By [Signature]  
Secretary

Approved as to Form:

\_\_\_\_\_  
Assistant City Attorney

Countersigned:  
[Signature]  
City Attorney

CITY OF DULUTH                    )  
  ) ss.  
COUNTY OF ST. LOUIS         )

The foregoing instrument was acknowledged before me this 12<sup>th</sup> day of August, 1993, by John Petron and \_\_\_\_\_ President and Secretary, of the Duluth Airport Authority, a governmental authority, on behalf of the Authority.

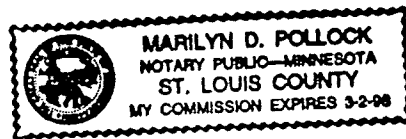
Jodi R. Massie  
Notary Public



CITY OF DULUTH )  
 ) ss.  
COUNTY OF ST. LOUIS )

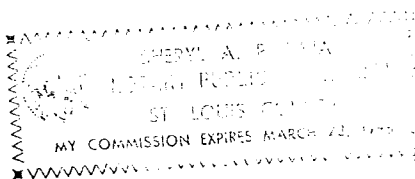
The foregoing instrument was acknowledged before me this 10<sup>th</sup> day of August, 1993, by Lane Pleser of the Duluth Economic Development Authority.

Marilyn D. Pollock  
Notary Public



The foregoing instrument was acknowledged before me this 12th day of August 1993, by Joseph Lasky President of the Duluth Airport Authority, on behalf of the Authority.

Cheryl A. Pollock  
Notary Public



ALTERNATIVE RENTAL ADJUSTMENT

Authority shall have the exclusive option to use the following rental adjustment criteria:

At each five (5) years hereunder, the annual rent shall be adjusted to equal seven percent (7%) of the fair market value of the land, exclusive of buildings, improvements and as though unencumbered by any lease, based upon agreement of the Parties or if the Parties can not agree, by an appraisal of such fair market value as of said date and such adjusted annual rent shall be applicable until the end of said five (5) year renewal term.

In making appraisals, each party shall designate an appraiser and shall notify the other party in writing of the names and address of the appraiser so designated. The Lessor shall initiate the proceeding by notifying the Lessee of the appointment of an appraiser, and within fifteen (15) days thereafter, the Lessee shall notify the Lessor of the appointment of a second appraiser. The two appraisers shall select a third appraiser. All appraisers shall be qualified as members of a nationally recognized appraisal accreditation group. Should either party fail to appoint an appraiser within fifteen (15) days from the time when such appointment should have been made, the other party may have the appointment made by the then President of the Duluth Board of Realtors (or comparable organization). Should the two appraisers fail to agree on the appointment of a third appraiser within thirty (30) days of the appointment of the last of such two appraisers to be appointed, the third appraiser shall be appointed also by the then President of said Board (or comparable organization) upon application made by the Lessor within forty-five (45) days after the three appraisers, or a majority thereof, of the fair market value of the land, the appraisers shall notify both the Lessor and the Lessee in writing and such appraisal shall be binding upon both parties in determining the rent to be paid for the particular period involved. The cost of each such appraisal shall be shared equally by the Lessor and the Lessee.

Under no circumstances shall the adjusted annual rent be greater than the ground rent charged under leases executed or amendments executed subsequent to this Agreement.



**SUB-LEASE AGREEMENT  
CIRRUS DESIGN**

PARTIES TO THIS AGREEMENT are the CITY OF DULUTH, a municipal corporation under a home rule charter in the State of Minnesota, hereinafter referred to as "City," and CIRRUS DESIGN CORPORATION, a corporation under the laws of the State of Minnesota, hereinafter referred to as "Lessee."

THE PARTIES ACKNOWLEDGE THE FOLLOWING:

1. The City is the possessor and owner of the Leased Premises, an aviation business incubator facility; and
2. Lessee is desirous of leasing space from the City in support of Lessee's manufacturing business and improving it; and
3. The City is desirous of leasing these facilities to Lessee and having them improved; and
4. City is in possession under assignment of a ground lease from D.A.A. dated August 12, 1993.

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NOW, THEREFORE, in consideration of the foregoing and mutual covenants and agreements hereinafter contained, the parties covenant and agree for themselves and their successors and assigns as follows:

**ARTICLE I.  
DEFINITIONS**

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

- A. Airport: shall mean Duluth International Airport located in the City of Duluth, County of St. Louis, State of Minnesota.
- B. Consent or Approval of City and of Executive Director: where this Agreement calls for the consent or approval of the City, the same shall be in the form of a resolution approved by the City Council as provided by law; where the consent or approval of the Executive Director is required, the same shall be evidence by a written document dated and signed by the Administrative Assistant to the Mayor or by a person designated by him to sign such document.
- C. Leased Premises: shall refer to the premises located at the Duluth International Airport leased to Lessee for its exclusive use as further described in Article II of the Lease and Exhibit A hereto.
- D. Leasehold Improvements: shall refer collectively to all items located on and within the Leased Premises provided or purchased by Lessee, including such items as decorations, partitions, wiring, lighting and plumbing fixtures, piping, finished ceilings, ventilation duct work, grills, walls, floor and walls coverings, heating systems, utility connections, cabinets, lockers, sinks, counters, chairs, other furniture, and signs.

## **ARTICLE II.**

### **CONSTRUCTION OBLIGATIONS, LEASED PREMISES AND EFFECTIVE DATE**

- A. City will cause to be constructed, on the project premises, a building and other improvements of a size and configuration as shown on attached Exhibit B, subject to changes agreed to by the parties, or accomplished by the change order procedure in applicable construction contracts. The City will contribute an amount for building construction, which sum shall not exceed \$2,300,400. This amount and the EDA funds, not to exceed \$3,450,600, will provide a total of \$5,751,000 toward the construction of the building. In addition, the City will provide an amount not to exceed \$899,000 in funds for site improvements and cleanup of contaminated soils. The total amount contributed by the City of Duluth and EDA shall not exceed \$6,650,000.



Cirrus Design Corporation (Lessee) promises and agrees that it will pay any amount in excess of \$6,650,000 which is needed for completion of the project consistent with the construction documents and Exhibit B. This payment shall be made directly to the parties providing design and construction services for the project. City shall have access to all records and information needed to ascertain that the payments have been made. City shall have the power to require Cirrus to provide reasonable assurance that it will make available funds sufficient to complete the project. That assurance must be in a form acceptable to City, which form could include letter of credit or deposit.

Cirrus (Lessee) shall be entitled to enter the premises, and the rental term shall begin on October 1, 2002.

This Agreement shall be effective beginning February 1, 2002 or the date of approval by Duluth City Council, whichever is earlier.

- B. Lessee is hereby granted exclusive use of Leased Premises, subject to existing easements and uses, including the aviation incubator facility building thereon shown on Exhibits A and B attached hereto and made a part hereof, such space to be used for support of its operation of its airplane manufacturing business and for facilities reasonably necessary thereto. Any use must be for aviation business purposes, and in compliance with U.S. EDA requirements for this incubator project. The incubator building on Leased Premises contains approximately 69,044 square feet.
- C. Common Premises: In addition to the foregoing, City does grant to Lessee and to its employees and customers access in common with the access granted to members of the general public to all public portions of the premises, roads, and parking facilities.

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**ARTICLE III.  
ACTIVITIES PERMITTED ON AIRPORT**

Lessee shall have the right to operate, on the Leased Premises, aviation related business in compliance with the U.S. EDA grant that financed improvements to the premises, including sales and administrative offices, manufacturing equipment and facilities, design and testing facilities, and vehicular parking.

**ARTICLE IV.  
LEASE PAYMENTS**

- A. Space Rental: Lessee shall pay rent to City as a condition of Lessee's use or occupancy of the Leased Premises. The parties intend that the amount of rent shall always be sufficient to generate revenues that will be available to make payments, as they come due, on bonds the City issues to finance the business incubator project located on the Leased Premises, and to pay the ground rent due to D.A.A. for the project premises, and is fair market value rent. The amount of rent Lessee must pay to City shall be the minimum amount set out in this article, together with the additional amounts necessary to finance the bond payments and other costs, as such amounts are set out in Exhibit C, which exhibit will be attached by City after the relevant bond sale has fixed the costs and interest rates. The total building rent will be shown on Exhibit C. The total rent due is the amount shown on Exhibit C together with the amount to cover City's ground rent to D.A.A. (as set out in the August 1993 contract #93-865047 which was assigned to City of Duluth as Lessee by Contract #02860337, Auditor's #19082, dated February 5, 2002), and any other charges due under this Agreement, and less any rent credits due to Lessee. The relevant language that shows the consumer price index escalation on the ground rent portion of total rent is shown on Exhibit D. In no event shall rent due be less than the minimum amount described in this article. The minimum rent due on the first day of the first month of the term, October 1, 2002, shall be \$29,616.84, which includes \$28,500 for building rent, and \$1,116.84 for land rent.

Prior to October 1, 2017, the parties shall meet to establish the rent for the last five (5) years of the lease. It shall be a fair market value rent equal to or greater than the minimum rent. If the parties cannot agree, the matter will be submitted to a single arbitrator for an arbitration decision under the rules of the American Arbitration Association, the cost thereof being shared equally by the parties.

The monthly rent payments to the City will be paid in cash. Rent credits, if any, up to the amount determined by the Executive Director may be paid by way of Lessee



completing improvements to the premises, as approved by the Executive Director and in compliance with the schedule established by the City.

B. Miscellaneous Payments and Services

1. Janitorial Services: In the event that Lessee fails to keep the Leased Premises in a neat, clean, orderly, and sanitary condition as is required by this Lease, City may itself clean or cause to be cleaned those portions of the Leased Premises not so kept, and Lessee agrees to reimburse City for the direct and indirect costs incurred by City for the performance of said work immediately on being billed therefore by City.

2. Refuse and Garbage: Lessee assumes all responsibility for the disposal of refuse and garbage generated by its operations at the Airport and agrees to absorb all costs related thereto.

3. Utilities: The Lessee agrees to provide such heat and electricity, as are reasonable and necessary for Lessee's operations, at no cost to City.

4. Security Deposit: None shall be required.

C. Licenses, Fees, and Taxes: Lessee hereby agrees to pay all license, fees, taxes, and assessments of any kind whatsoever which arise because of, out of, or in the course of any operations covered by this Agreement during the term hereof. Should Lessee fail to pay such amounts, it is expressly agreed that City may pay the same on behalf of Lessee and immediately collect the same from the Lessee. Failure to pay taxes, assessments, or fees when due and payable is also an act of default, unless said obligations are part of a statutorily authorized appeal or challenge.

D. Time for and Manner of Payment

1. Rental: The first monthly payment of rent, as provided for in Paragraph A above, shall be due and payable on the first day of each month of the term of Lessee's occupancy of the leased space. City shall maintain a record of amount and type of leasehold improvement cost applied, if any, as a credit toward rent due.



2. **Reimbursements:** All reimbursements to the City called for by this Agreement shall be due and payable promptly upon being billed by the City to Lessee.

**ARTICLE V.  
TERM**

- A. The term of this Agreement shall be for a period of twenty (20) years (240 months) beginning October 1, 2002, and ending September 30, 2022, unless otherwise terminated as provided for herein. It is further agreed that after the term of this Agreement and any extension thereof, it shall be continued on a month-to-month basis under the terms and conditions of this Agreement subject to any agreement of the parties on the rate of rent due, and the right of either party to terminate said extension without cause upon thirty (30) days notice to the other party.
- B. At the end of the twenty year term, the City may renew Lease or, if so desired, be entitled to sell the Leased Premises. Leased Premises are to include building, leasehold improvements, fixtures, and other improvements. In the event the City desires to sell, it shall do so in accordance with the competitive bidding requirements imposed on such sales by applicable State law, City Charter, or City ordinance. The minimum price for any sale, if Lessee has paid and performed all of its obligations under the Lease, shall be:
  1. Three Million Four Hundred Thousand Dollars (\$3,400,000), plus
  2. All amounts in excess of Six Million Six Hundred Fifty Thousand Dollars (\$6,650,000) paid by Lessee on or before October 1, 2003 for the completion of the project consistent with the construction documents and in accordance with paragraph A of Article II of this Lease. A schedule of unreimbursed cost by the Lessee shall be submitted to the City for approval and attached to this on or before November 1, 2003, plus
  3. Interest at the rate of six percent (6%) per annum on Lessee's unreimbursed cost, provided that such interest shall not exceed thirty percent (30%) of the rent paid by Lessee during the last five (5) years of this twenty (20) year Lease.

The net sales proceeds shall be applied as follows:

- a. First, Three Million Four Hundred Thousand Dollars (\$3,400,000) to the City.
- b. Next, an amount equal to Lessee's unreimbursed cost to Lessee.
- c. Next, an amount equal to interest on Lessee's unreimbursed cost to Lessee.
- d. The balance of any net sales proceed shall be retained by City.

In the event that the City sells the building and the Lessee has not performed all of its obligations under this Lease, all proceeds shall be retained by the City.

**ARTICLE VI.  
CONSTRUCTION AND LEASEHOLD IMPROVEMENTS**

- A. Construction Standards and Approvals: Any construction or leasehold improvements done by Lessee, or under its direction, shall conform to all applicable regulations, building codes, and health standards, as well as the following requirements:
1. All construction shall meet the requirement of Type I (fire resistant) construction as set forth in the Minnesota State Building Code (current edition) and the building standards for the Airport.
  2. Complete contract drawings and specifications on all work, including alterations, additions, or replacements, must be submitted for and receive approval of the City and D.A.A.
  3. All work must be done by competent contractors in the time and manner approved by the Executive Director and coordinated with City. Lessee shall comply with the indemnity and insurance and bond requirements of this Agreement.
  4. An authorized representative of Lessee shall be available at all reasonable times at the site to coordinate the work of the leasehold improvements.
- B. Construction Bonds and Insurance
1. Bonds: During the term of this Agreement, when any leasehold improvements are constructed, installed, or renovated, Lessee shall procure and furnish to City a contractors' bond or bonds written by a company or companies authorized to write such bonds in the State of Minnesota and



which are acceptable to the City, in an amount not less than the cost of such construction, installation, or renovation, for the use obligee, Lessee and the City and all persons doing work or furnishing skills, tools, machinery, materials, insurance premiums, equipment, or supplies incident to such construction, installation, or renovation, such bond or bonds to be conditioned for payment of claims as required and in full compliance with Minnesota Statutes Section 574.26. Further, during the term of this Agreement, for any construction, installation, or renovation, and before the commencement of work thereon, Lessee shall furnish to City performance bonds, written by similarly qualified companies, covering all work to be performed thereunder guaranteeing the performance of all such work.

2. Contractor's Public Liability and Property Insurance: Before commencing any improvement, work, or equipment installation on the Airport, Lessee shall require all contractors and subcontractors to procure and maintain insurance during the life of such contracts, protecting both the City and the Lessee as follows:

- a. Workers' Compensation Insurance.
- b. Contractors Commercial General Liability and Property Damage Insurance.
- c. Contractors Automobile Liability and Property Damage Insurance, including automobile and non-ownership and hired cars.
- d. Owners Protective Public Liability and Protective Property Damage Insurance.
- e. Builders Risk Insurance (fire, extended coverage, vandalism, and malicious mischief, including sprinkler leakage).

Amounts shall be not less than (\$750,000) One Million Dollars (\$1,000,000) for injuries, including accidental death to any one person, and subject to same limit for each person, and in an amount not less than One Million Dollars (\$1,000,000) on account of any one accident, and property damage in an amount not less than Five Hundred Thousand Dollars (\$500,000) aggregate

for the policy. Insurance, as above provided, shall be kept intact and in force throughout the term of construction work and equipment installation on the lease premises. Such insurance shall be subject to the approval of the City and copies furnished to the City prior to the commencement of construction.

**ARTICLE VII.  
PREMISES, FIXTURES, EQUIPMENT, AND MAINTENANCE**

A. Premises

1. Lessee agrees to maintain the Leased Premises in a clean, neat, and orderly condition and in compliance with all codes for such facilities. Lessee further agrees to make no attachment to, change of, redecoration, or modification in said premises without the prior written consent of the Executive Director.
2. The Lessee shall at its sole expense maintain to standards determined by the Executive Director the building including all mechanical systems, heating systems, and utility services (water, electricity, service, heat, etc.) at no cost to the City or DAA.
3. Signs: Lessee may erect reasonable signs advertising its business. Signs must be in conformance with the City sign ordinance, safe, and be approved by the City and DAA, in writing, before erection.

A. City's Fire Insurance: Lessee 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; or
2. Will increase the rate of any fire insurance on the Airport or any part thereof or upon the contents of any building thereof; or
3. In the opinion of the City, will constitute a hazardous condition so as to increase the risks normally attendant upon the operations contemplated by this Agreement.

If, by any reason of the Lessee's failing to comply with the provisions of this section, any fire insurance rate on the Airport or any part thereof or upon the contents of any building thereof, at any time, be higher than it otherwise would be, then the Lessee



shall, upon demand, reimburse the City and DAA for that part of all fire insurance premiums paid or payable by the DAA which shall have been charged because of such violation by the Lessee.

**ARTICLE VIII.  
SURRENDER OF POSSESSION**

Upon the expiration or other termination of this Agreement, Lessee's authority to use the premises, rights, facilities, and equipment herein granted shall cease and Lessee shall, upon expiration or termination, promptly and in good condition surrender the same to the City. In the event that Lessee has in any way damaged the premises demised herein, or changed them in a way not approved by the Executive Director, Lessee covenants to return the same to the correct condition or, in the alternative, to pay the City for the cost of returning them to said condition. Upon termination, any leasehold improvements which have become part of the realty, including but not limited to heating, lighting, and structural modifications, shall become the property of the City, and the same, together with the demised premises, shall be immediately returned to the control of the City. Any leasehold improvements not part of the realty shall be removed therefrom within fifteen (15) days after the termination of this Agreement or the same shall be deemed to have been abandoned to the City and the right of the Lessee to possession thereof shall cease.

**ARTICLE IX.  
INDEMNITY AND INSURANCE**

- A. **Indemnity:** Lessee agrees to defend, indemnify, and hold harmless the DAA and the City of Duluth from and against any and all claims, demands, suits, judgments, costs, and expenses, including subrogation claims and any claims asserted by an insurer or indemnitor, asserted by any person or persons, including agents or employees of the City or the Lessee, by reason of the death of or injury to persons or the loss or damage to property, or any other claim for damages, arising from Lessee's use of or occupancy of or operations at the Airport, and on ten (10) days written notice from the City, Lessee shall appear and defend all lawsuits against the City growing out of such injuries or damages.
- B. **Insurance:** To effectuate the purposes and provide the City with protections described hereinabove, Lessee agrees that it will, at its own expense, keep in force and effect insurance policies of the type and in the amounts listed below or their

reasonable equivalent as approved by the City's attorney. All such policies shall name the DAA and the City of Duluth as co-insureds or additional insureds thereunder and coverage shall be evidenced by certificate of insurance delivered to City prior to Lessee's occupancy. Notice shall be given to the City prior to the termination, cancellation, or modification of such insurance. Certified copies of the policies or a certificate or certificates evidencing the existence thereof or binders shall be delivered to the City prior to the effective date of this lease. In the event any binder is delivered, it shall be replaced within fifteen (15) days by a certified copy of the policy or certificate. City reserves the right and Lessee agrees to revisions upward or downward in the minimum insurance requirements hereinafter set forth. The amounts of coverage shall always be sufficient to cover the exposure of the City within the statutory limits of liability. The amounts and coverages are subject to reasonable change so that, in the opinion of the City Attorney, the City and property are adequately protected. Lessee shall be given sixty (60) days notice of required changes in insurance coverages. Lessee's failure to comply with these provisions regarding the furnishing of insurance is an act of default which authorizes automatic termination of this Agreement, at the option of City.

1. Commercial General Liability in the amount of One Million Dollars (\$1,000,000) for personal injury and Five Hundred Thousand Dollars (\$500,000) for damage to property.
2. Workers' Compensation Insurance sufficient to comply with the laws of the State of Minnesota for Lessee's employees. The Executive Director may require higher insurance limits if needed to protect the City.
3. Property damage or loss from fire.

- C. Lessee's Liability: It is understood that the specified amounts of insurance stated herein shall in no way limit the liability of Lessee.
- D. Property Insurance on Buildings: Lessee will keep all buildings on the Leased Premises continuously insured, during the term of this Agreement, including fire and all risk coverage, for an aggregate amount equal to one hundred percent (100%) of their replacement value, or Seven Million Dollars (\$7,000,000), whichever is greater,



and any money received from the insurance shall be divided between Lessee and City as their interest may appear (the amount owed to City, if any, shall be based upon the unamortized principal amount of funds contributed by City to fund capital improvements). Such policies shall be in a form satisfactory to City and name City as a loss payee as its interest may appear. Lessee shall keep evidence of such insurance on file with City at all times.

In the event of damage or destruction to any buildings or improvements on the Leased Premises, all insurance proceeds shall be used to repair, rebuild, and/or restore the buildings and improvements on the Leased Premises unless otherwise mutually agreed in writing by both City and Lessee.

- E. Environmental Liability: In addition to, and concurrently with the foregoing indemnity agreement, it is specifically agreed between the parties that Lessee shall be responsible in all aspects for the use of or generation of any petroleum based substance or product, or any volatile organic compound, or any substance classified as a pollutant, contaminant, solid waste, industrial waste, garbage, toxic substance, or a "hazardous waste" by either the Environmental Protection Agency of the government of the United States or the Minnesota Pollution Control Agency. Lessee shall specifically be responsible for the disposition of all such substances and for the cleanup and response costs of any environmental condition deemed by those agencies or either of them to require environmental cleanup activities or environmental response of any kind, which need arises out of Lessee's use of or Lessee's generation of such substances in its operations at the Airport or its occupancy of the Leased Premises; and Lessee specifically agrees that the obligations of Paragraph A above shall apply specifically to any costs or obligations of Duluth Airport Authority or City of Duluth arising out of any such disposition or cleanup.

**ARTICLE X.  
DEFAULT AND TERMINATION**

- A. General: In the event that any one or more of the following events shall occur, then in its discretion, City shall have the right to terminate this lease or to enter upon the premises and take exclusive possession of the same, with or without cancellation of

the lease, and relet the premises, or any part thereof, for an equivalent or greater, or lesser rental and for any part of the balance of the term for the account of Lessee, and the City shall have the right to bring action against Lessee thereafter for damages as the same may from time to time accrue. The remedies provided herein shall not be exclusive but shall be cumulative upon all other remedies, legal or equitable in nature. The City shall be deemed not to have terminated this Agreement in the absence of service of written notice upon Lessee as provided for herein, except actual notice is sufficient.

1. Insolvency: Lessee shall become insolvent, or shall take the benefit of any present or future insolvency statute, or shall make a general assignment for the benefit of creditors or file a voluntary petition in bankruptcy or a petition or answer seeking an arrangement for its reorganization or the adjustment of its indebtedness upon the Federal bankruptcy laws, or any other law or statute of the United States or of any other state thereof, or shall consent to the appointment of a receiver, trustee, or liquidator of all or substantially all of its property; or
2. Involuntary Bankruptcy: A petition under any part of the Federal bankruptcy laws or any action under any present or future insolvency law or statute, shall be filed against Lessee and shall not be dismissed within thirty (30) days after the filing date thereof; or
3. Transfer of Interest: If any interest of Lessee under this Agreement shall, without the approval of City, be transferred or passed to or devolve upon, by operation of law, stock transfer (transfer or series of transfers of an amount or amounts totaling fifty percent (50%) or more of Lessee's outstanding floating stock to any one party or groups of parties acting in consort shall be deemed to be a transfer of Lessee's interest hereunder), assignment, sublease or otherwise, any other person, firm or corporation, except as set forth in Article XIV; or
4. Trustee in Possession: By or pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or



governmental board, agency or officer, a receiver, trustee, or liquidator shall take possession of all or substantially all of the property of Lessee, and such possession or control shall continue in effect for a period of fifteen (15) days; or

5. Voluntary Abandonment: Lessee shall voluntarily abandon, desert, or vacate the demised premises, or after exhausting or abandoning any right of further appeal, Lessee shall be prevented for a period of ninety (90) days by action of any governmental agency from using the demised premises regardless of the fault of Lessee, or Lessee shall cease to provide substantially the services referred to in Article III hereof; or
  6. Filing of Lien: Any lien shall be filed against the demised premises because of an action or omission of Lessee and shall not be discharged or contested by Lessee in good faith by proper legal proceedings within twenty (20) days after receipt of notice thereof by Lessee; or
  7. Failure to Observe Lease Terms: Lessee shall fail to keep, perform, and observe each and every promise, covenant, and agreement set forth in this lease or on its part to be kept, performed or observed, including the promise to pay rent or make improvements, and such failure shall continue for a period of more than fifteen (15) days after transmission to Lessee by City of a written notice of such breach or default.
- B. Nonwaiver: Any waiver of any breach of covenants herein contained to be kept and performed by Lessee shall not be deemed or considered as a continuing waiver and shall not operate to bar or prevent the City from declaring a forfeiture for any succeeding breach either of the same condition or covenant or otherwise.
- C. Automatic Termination: In addition to the foregoing, it is understood by and between the parties that the failure of the Lessee to perform its obligations as provided for in Article IV of this Agreement (Lease Payments) shall result in an automatic termination of this Agreement within fifty (50) days of the date of such failure without the action of either party unless City extends the time for performances by resolution of the City Council. All of the provisions of this Agreement related to

termination shall apply to such a termination for failure to meet the obligations of this paragraph. If the City retakes possession of the premises under this paragraph, then, as partial damages, City may take and retain or dispose of any property of Lessee left in or upon the premises.

**ARTICLE XI.  
ATTORNEYS' FEES AND COSTS**

In the event City shall prevail in any action or suit or proceeding brought by City to collect rents due or to become due hereunder or any portion thereof or to take possession of the demised premises, or to enforce compliance with this Agreement or for the failure to observe any of the covenants of this Agreement, Lessee agrees to pay City such sums as the court may adjudge reasonable as attorneys' fees and costs to be allowed in such action, suit, or proceeding.

**ARTICLE XII.  
LAWS, RULES, AND REGULATIONS**

Lessee agrees to observe and comply with all laws, ordinances, rules, regulations, and orders of the United States of America, State of Minnesota, the City of Duluth, and their respective agencies which are applicable to its business at the Airport, including, but not limited to, all environmental laws and regulations, and further agrees to observe and comply with all reasonable 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. Further, Lessee agrees to fulfill its responsibilities pursuant to the Airport Security Plan approved by the Federal Aviation Administration and any amendments thereto.

**ARTICLE XIII.  
CIVIL RIGHTS ASSURANCES**

Lessee for itself, its personal representatives, successors and interests, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

1. No person on the grounds of race, gender, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.
2. That 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, gender,



color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination.

3. That the Lessee shall use the premises in compliance with all of the requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the Department of Transportation - Effectuation Title VI of the Civil Rights Act of 1964 and as said regulations may be amended.

**ARTICLE XIV.  
ASSIGNMENT, SUBLETTING, AND SUBCONTRACTING**

Lessee shall not assign or transfer, sublet or subcontract this Agreement, or any rights, privileges, or duties conferred thereby unless the written approval of the City has been first secured and the insurance requirements of this Agreement are met by the third party receiving such interest. Such third party shall agree to be subject to all of the terms and conditions of this Agreement and shall be subject thereto, and in the absence of a written agreement to the contrary, Lessee shall remain as a guarantor of the performance of the transferee, sublettee, or assignee of this Agreement.

**ARTICLE XV.  
SUBORDINATION**

This Agreement shall be subordinate to the provisions of any existing or future agreement between the City or the Duluth Airport Authority and the United States of America or the State of Minnesota relative to the operation or maintenance of the Airport, execution of which has been or may be required as a written precedent to the expenditure of Federal or State funds for national security or defense, or the development or maintenance of the Airport. This Agreement is subject to the provisions of the mortgage running in favor of the U.S. EDA given by City of Duluth.

**ARTICLE XVI.  
AMENDMENT OR MODIFICATION**

This Agreement may be amended or modified only in writing, dated and signed by the duly authorized representatives of the respective parties. This Agreement constitutes the entire agreement of the City and the Lessee on the subject matter thereof.

**ARTICLE XVII.  
NOTICES**

Notices to the City provided for herein shall be sufficient if sent by registered mail, postage prepaid, addressed to City at Office of the Mayor, 411 West 1<sup>st</sup> Street, #403, Duluth, Minnesota, 55802. All notices to be given by City to Lessee shall be sufficient if sent by registered mail, postage prepaid, addressed to Lessee at 4515 Taylor Circle, Duluth, Minnesota, 55811, or to such other respective persons or addresses as the parties may designate to each other in writing from time to time. Actual notice of or to a party shall be sufficient notice.

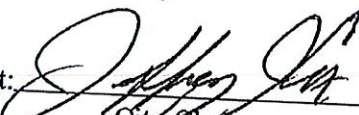
**ARTICLE XVIII.  
APPLICABLE LAW**

This Agreement, together with all of its articles, terms, and provisions is made in the State of Minnesota and shall be construed and interpreted according to the laws of the State of Minnesota.

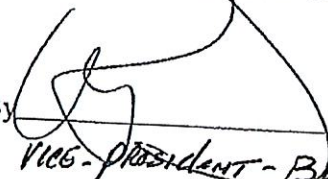
IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this 10<sup>th</sup> day of Oct, 2002.

CITY OF DULUTH

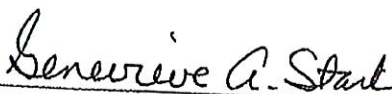
By   
Mayor

Attest:   
City Clerk


CIRRUS DESIGN CORPORATION

By   
Vice-President - Business Administration

Countersigned:

  
City Auditor

Approved as to form and execution:

  
City Attorney

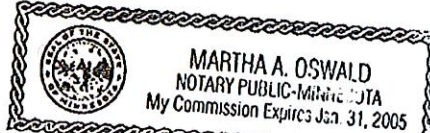


STATE OF MINNESOTA )  
COUNTY OF ST. LOUIS ) ss

The foregoing instrument was acknowledged before me this 10<sup>th</sup> day of Oct, 2002, by Gary L. Doty and Jeffrey J. Cox, Mayor and City Clerk of the City of Duluth, a municipal corporation under the laws of the State of Minnesota, on behalf of the corporation.

Martha A Oswald  
Notary Public

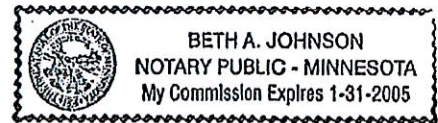
STATE OF MINNESOTA )  
COUNTY OF ST. LOUIS ) ss



The foregoing instrument was acknowledged before me this 10 day of October, 2002, by WILLIAM T. KING as VICE PRESIDENT of Cirrus Design Corporation.

Beth Johnson  
Notary Public

Certificate of Secretary



I, Brent Wenters, secretary of Cirrus Design Corporation certify that WILLIAM T. KING, president of the corporation, executed this agreement pursuant to powers duly granted by the articles and the board of directors to bind the corporation.

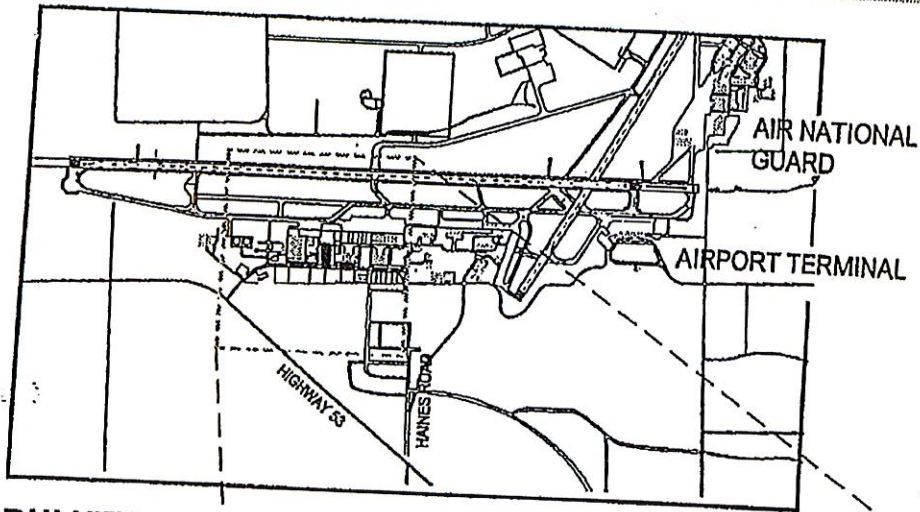
By Brent Wenters  
Secretary  
Executive Vice President / Chief Financial Officer

This instrument was drafted by:  
Bryan F. Brown  
Room 410 City Hall  
Duluth, Minnesota 55802  
(218) 723-3368

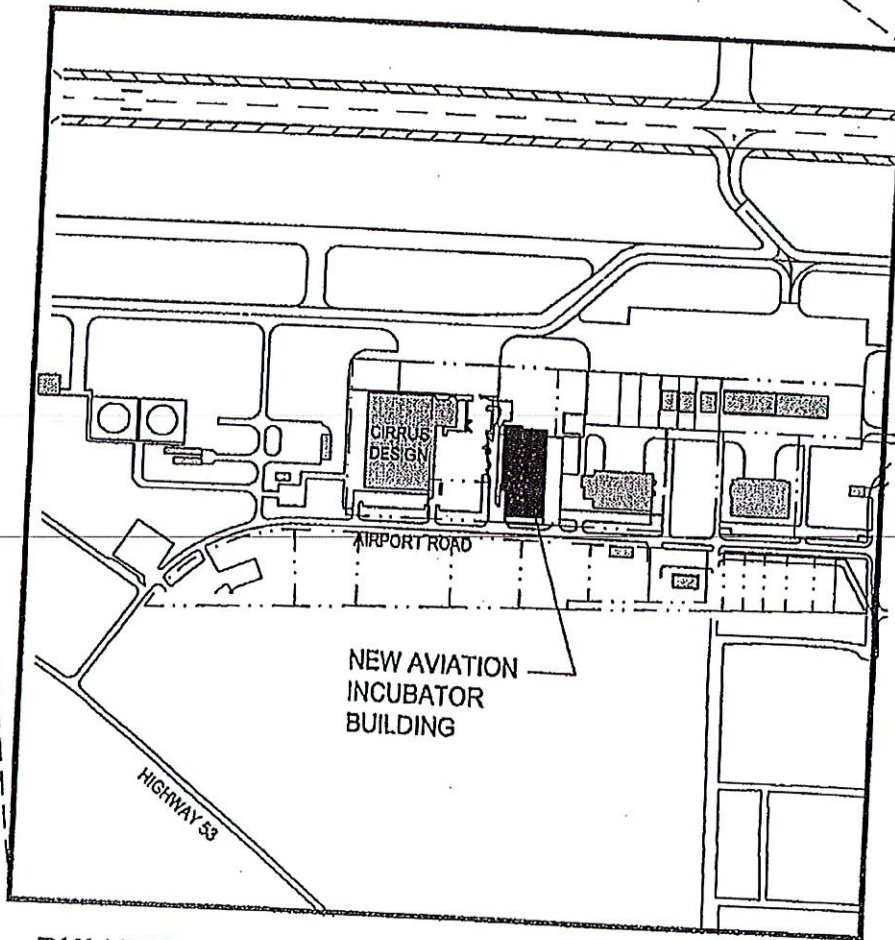




# PROJECT LOCATION MAP



DULUTH INTERNATIONAL AIRPORT



DULUTH AVIATION INCUBATOR SITE

FUTURE ROAD/TOW WAY

FUTURE SHOWROOM/  
DELIVERY CENTER  
BUILDING

EXISTING SILT  
FENCE TO BE  
REMOVED

PROPOSED  
APRON

EXISTING  
WASH RACK  
CONCRETE  
APRON

PROPOSED INCUBATOR  
BUILDING  
FINISHED FLOOR  
e. 1477.30

PROPOSED TAXILANE

EXISTING ASPHALT  
PARKING

EXISTING ASPHALT  
PARKING

EXISTING SILT  
FENCE TO REMAIN

EXISTING SILT  
FENCE TO BE  
ADJUSTED TO  
MEET THESE LIMITS

EXISTING CIRRHUS  
CONCRETE APRON



FINISHED FLOOR e 1418.86

EXISTING CONCRETE SIDEWALK

EXISTING ASPHALT  
PARKING

PROPOSED PARKING

PROPOSED ENTRANCE ROAD

EXISTING ASPHALT  
PARKING

EDGE OF  
EXIST. APRON

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**Cirrus Design Corporation****20-year Building Lease Payment Schedule**

		<b>Monthly Rent Payment *</b>
1	01-Oct-02	28,500
2	01-Oct-03	28,856
3	01-Oct-04	29,217
4	01-Oct-05	29,582
5	01-Oct-06	29,952
6	01-Oct-07	30,326
7	01-Oct-08	30,705
8	01-Oct-09	31,089
9	01-Oct-10	31,478
10	01-Oct-11	31,871
11	01-Oct-12	32,270
12	01-Oct-13	32,673
13	01-Oct-14	33,082
14	01-Oct-15	33,495
15	01-Oct-16	33,914
16	01-Oct-17	34,338
17	01-Oct-18	34,767
18	01-Oct-19	35,201
19	01-Oct-20	35,641
20	01-Oct-21	36,087

\* An annual escalator of 1.25% was used in the calculation

Note: The monthly lease amount above does not include rental of the land. For 2002, the monthly rent of the land is \$1,116.84. As per the Ground Lease Agreement between Cirrus, the Duluth Economic Development Authority, the City of Duluth, and the Duluth Airport Authority, the monthly land rent amount is adjusted annually by the increase in the Consumer Price Index.

EXHIBIT D

DEDA Cisneros - DHA  
CONTRACT # 93-865047

DULUTH AIRPORT AUTHORITY

AIRPORT GROUND LEASE AND AGREEMENT

DULUTH ECONOMIC DEVELOPMENT AUTHORITY

AUGUST, 1993

provided, Lessee has not received reimbursement from a third party and provided that if Lessee shall be in default in any of the terms and conditions of this Agreement, at the discretion of Authority, all such abated rental payments not then made shall immediately become due and payable to Authority and shall be deemed to have borne interest at the rate of five percent (5%) per annum from the date that they would have been due had said payments not been abated pursuant to the terms and conditions of this Paragraph.

D. Rental Adjustment:

The annual rent for the term of this Agreement and any renewals thereof and/or exercise of Expansion for Expansion Premises in Article 2 D shall be adjusted in accordance with the increase or decrease in the C.P.I. over the period from the beginning of this Agreement or the last date of rental adjustment. The initial adjustment shall be made and effective January 1, 1998, and shall be increased or decreased by the C.P.I. increase or decrease factor from the Effective Date of this Agreement. This adjusted rent shall be the effective rate for a period of five (5) years and shall thereafter be similarly adjusted every five (5) years during the term of this Agreement and any extensions thereof. Under no circumstances shall the adjusted annual rent be greater than the ground rent charged under leases executed or amendments executed subsequent to this Agreement, nor shall the annual increase be greater than three percent (3%). (Alternative - see Attachment 1). Authority shall have the exclusive option to use the Alternative Rental Adjustment attached as Attachment 1 and incorporated herein by reference.

E. Miscellaneous Payments and Services:

1. Airport User Charges

Lessee shall, in addition, pay all Airport usual and customary user charges for common areas, such as landing fees, tiedown fees, fuel flowage fees and any other fees associated with use of Airport facilities commonly charged to other users of the Airport without discrimination.

CERTIFIED COPY OF RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DULUTH, MINNESOTA

RESOLUTION 02-0607R

ADOPTED: SEPTEMBER 9, 2002

BY COUNCILOR STENBERG:

BE IT RESOLVED, that the proper city officials are authorized to execute and implement a revised sublease agreement, in the form and containing substantially the terms set out in Public Document No. 02-0909-20, on file with the city clerk (final adjustments for interest rates, construction adjustments and similar matters being contemplated) between the city of Duluth and Cirrus Design Corporation, for the letting of space in the aviation business incubator facility being constructed at the Duluth airport, for a term ending 2022, the revised lease having minor changes from that one authorized by Resolution 02-0077.

Resolution 02-0607 was unanimously adopted.

Approved September 9, 2002

GARY L. DOTY, Mayor

I, JEFFREY J. COX, city clerk of the city of Duluth, Minnesota, do hereby certify that I have compared the foregoing resolution passed by the city council on the ninth day of September, 2002, with the original in my custody as city clerk of said city, and that the same is a true and correct transcript therefrom.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of said city of Duluth, this 12th day of September, 2002.

JEFFREY J. COX  
City Clerk

by

*Kathleen D. Swald*  
Assistant  
CITY OF DULUTH, MINNESOTA





CITY OF DULUTH  
OFFICE OF CITY ATTORNEY  
410 City Hall Duluth, Minnesota 55802

218/723-3368

October 15, 2002

Charlene Degen  
U.S. Department of Commerce  
Economic Development Administration  
Chicago Regional Office  
111 North Canal Street, Suite 855  
Chicago, IL 60606-7204

Via Federal Express

RE: Aviation Incubator

Dear Ms. Degen:

Enclosed please find an original copy of the Agreement and Mortgage between the EDA and the City of Duluth showing the filing date and document number of record in the Office of the St. Louis County Recorder. Please be advised that the EDA has a valid first priority lien on the property which is the subject of the Agreement and Mortgage.

Also enclosed please find a copy of the executed Sub-Lease Agreement between Cirrus Design and the City of Duluth.

If you have any questions, please feel free to contact me. Thank you for your continued assistance with this project.

Sincerely,

Joan M. Christensen  
Assistant City Attorney

enc.

c: Les Bass  
Bryan Brown  
Michael Conlan  
Tom Cotruvo  
Suresh Shah

**\*\* DUPLICATE FILING DATA \*\***

Registrar of Titles  
St. Louis County  
State of Minnesota

Document No.

732890.0

Filed: Oct 15, 2002, at 1:32 PM

on Certificate(s) of Title  
288795.0

Mark A. Monacelli  
Registrar of Titles

**\*\* DUPLICATE FILING DATA \*\***

TFR 150115

732890

No. 155411 Date OCT 15 2002  
Registration Tax of \$ 7936.38  
Gordon D. McFaul County Auditor  
By Mark A. Monacelli Deputy  
Checked by BLG Cashier  
OCT 15 2002

Mortgage

between

United States Department of Commerce,  
Economic Development Administration  
(Mortgagee)

and

The City of Duluth, Minnesota  
(Mortgagor)

Date: October 15, 2002



## AGREEMENT AND MORTGAGE

WHEREAS, City of Duluth, Minnesota (hereinafter called "Mortgagor"), whose address is 411 West First Street, has applied to, received and accepted from the United States Department of Commerce, Economic Development Administration (EDA), whose address is c/o Chicago Regional Office, 111 North Canal Street, Suite 855, Chicago, Illinois 60606, a grant in the amount of Three Million Four Hundred Fifty Thousand Six Hundred and No/100 Dollars (\$3,450,600) pursuant to a Grant Agreement entered into by the parties on September 4, 2001, and bearing EDA Project Number 06-01-04577(the Project); and

WHEREAS, pursuant to the application filed by Mortgagor requesting said grant and pursuant to the Grant Agreement, the Grant Amount is to be used for the purpose of making improvements consisting of construction of a building at the Duluth International Airport to lease for business and manufacturing on the real Property described in Exhibit "A," attached hereto and made a part hereof (the Property); and

WHEREAS, any transfer or conveyance of a Project by an EDA Grantee must have the prior written approval of EDA. However, EDA, under authority of the Public Works and Economic Development Act of 1965, as amended, 42 U.S.C. Section 3211, is not authorized to permit transfer or conveyance of a Project to parties which are not eligible to receive EDA grants unless EDA is repaid its share of the fair market value of the Project or unless the authorized purpose of the EDA grant was to develop land in order to lease it for a specific use, in which case EDA may authorize a lease of the Project if certain conditions are met; and

WHEREAS, the aforesaid grant from EDA provides that the authorized purpose for which the Grant Amount may be used is to develop and improve the Property in order to lease it for a specific use while further providing, *inter alia*, that Mortgagor will not sell, mortgage, or otherwise use or alienate any right to, or interest in the Property, other than by a lease permitted by the Grant Agreement, or use the Property for purposes other than and different from those purposes set forth in the Grant Agreement and the application made by Mortgagor therefor, such alienation or use being prohibited by 13 CFR Part 314, or by 15 CFR Parts 14 or 24; and

WHEREAS, the value of EDA's right to repayment under the terms of 15 CFR Parts 14 and 24 is difficult to establish; and

WHEREAS, at this time, Mortgagor and EDA desire to establish a value for EDA's share of the Project in the event that the Property is used, transferred or alienated in violation of the Grant Agreement, 15 CFR Parts 14 and 24, or 13 CFR Part 314;

NOW THEREFORE, Mortgagor does hereby mortgage, warrant, grant and convey unto EDA, its successors and assigns, a mortgage on said Property to secure a debt that shall become due and payable by Mortgagor to EDA upon the use, transfer or alienation of the Property in violation of the Grant Agreement or in violation of the regulations set forth in 13 CFR Part 314, 15 CFR Parts 14 or 24, as such Grant Agreement or regulations may be amended from time to time, provided, however, that the lien and encumbrance of this AGREEMENT AND MORTGAGE shall terminate and be of no further force and effect 20 years from the date hereof, which period of years has been established as the useful life of the improvements to the Property. The amount of the lien, encumbrance and debt created by this Agreement shall be the Grant Amount or the amount actually disbursed or an amount determined pursuant to 13 CFR Part 314. Mortgagor does hereby acknowledge that said debt shall accrue and be due and payable upon any use, transfer, or alienation prohibited by the Grant Agreement, 15 CFR Parts 14 or 24, or 13 CFR Part 314, and does, moreover, agree that such debt shall be extinguished only through the full payment thereof to the United States.

Mortgagor further covenants and agrees as follows:

1. Lease of Property:

If the Grant Application and Grant Agreement authorize Mortgagor to lease the Property, all lease arrangements must be consistent with the authorized general and special purpose of the grant; said lease arrangements will provide adequate employment and economic benefits for the area in which the Property is located; said lease arrangements must be consistent with EDA policies concerning, but not limited to, nondiscrimination and environmental requirements, and that the proposed Lessee is providing adequate compensation to Mortgagor for said lease. Any lease agreements entered into by Mortgagor of the Property shall be subordinate, junior and inferior to this AGREEMENT AND MORTGAGE.



2. Charges; Liens:

Mortgagor shall protect the title and possession of the Property, pay when due all taxes, assessments, and other charges, fines and impositions now existing or hereafter levied or assessed upon the Property and preserve and maintain the priority of the lien hereby created on the Property including any improvements hereafter made a part of the realty.

3. Hazard Insurance:

Mortgagor shall insure or keep insured all improvements now or hereafter created upon the Property against loss or damage by fire and windstorm and any other hazard or hazards. The amount of insurance shall be the full insurable value of said improvements. Any insurance proceeds received by Mortgagor due to loss shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, Mortgagor shall use said insurance proceeds to compensate EDA for its fair share. EDA's fair share shall be a percentage of said insurance proceeds equal to its grant percentage in the total cost of the grant program for which the damaged or destroyed real property was acquired or improved.

4. Preservation and Maintenance of the Property:

Mortgagor shall keep the Property in good condition and repair and shall not permit or commit any waste, impairment, or deterioration of the Property.

5. Inspection:

EDA may make or cause to be made reasonable entries upon and inspection of the Property.

6. Condemnation:

The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for any conveyance in lieu of condemnation shall be used by Mortgagor to compensate EDA for its fair share. EDA's fair share shall be a percentage in the total cost of the grant program for which the condemned property was acquired or improved.

7. Forbearance by EDA Not a Waiver:

Any forbearance by EDA in exercising any right or remedy hereunder, or otherwise affordable by applicable law, shall not be a waiver of or preclude the exercise of any right or remedy hereunder.

8. Recording of Mortgage - Mortgagee's Copy:

Mortgagor shall record this AGREEMENT AND MORTGAGE in the County where the Property is located, thereby securing to EDA an estate in the Property. Mortgagee shall be furnished a confirmed copy of this Mortgage at the time of execution, and after recordation thereof.

9. Remedies Cumulative:

All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively.

10. Notice:

Any notice from EDA to Mortgagor provided for in this Mortgage shall be mailed by certified mail to Mortgagor's last known address or at such address as Mortgagor may designate to EDA by certified mail to EDA's address,



except for any Notice given to Mortgagor in the manner as may be prescribed by applicable law as provided hereafter in this Mortgage.

- 11. Upon Mortgagor's breach of any covenant or agreement of Mortgagor in this AGREEMENT AND MORTGAGE, EDA, its designees, successors or assigns may declare the entire indebtedness secured hereby immediately due, payable and collectible. This AGREEMENT AND MORTGAGE may be enforced by the Secretary of Commerce of the United States of America, the Assistant Secretary of Commerce for Economic Development or their designees, successors or assigns, by and through a foreclosure action brought either in a United States District Court, or in any State Court having jurisdiction, but such action shall not be deemed to be a waiver of the aforesaid debt or of any possible further or additional action to recover repayment thereof.

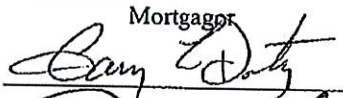
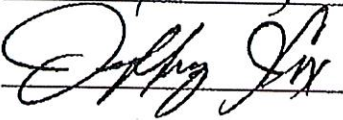
After any breach on the part of Mortgagor, EDA, its designees, successors or assigns shall, upon bill filed or the proper legal proceedings being commenced for the foreclosure of this Mortgage, be entitled, as a matter of right, to the appointment by any competent court, without notice to any party, of a receiver of the rents, issues and profits of the Property, with power to lease and control the Property, and with such other powers as may be deemed necessary.

12. Governing Law; Severability:

This AGREEMENT AND MORTGAGE shall be governed by applicable Federal law and nothing contained herein shall be construed to limit the rights the EDA, its designees, successors or assigns is entitled to under applicable Federal law. In the event that any provision or clause of this instrument conflicts with applicable law, such conflict shall not affect other provisions of this instrument that can be given effect without the conflicting provision, and to this end the provisions of this instrument are declared to be severable.

IN WITNESS WHEREOF, Mortgagor has hereunto set its hand and seal on this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

WITNESS:

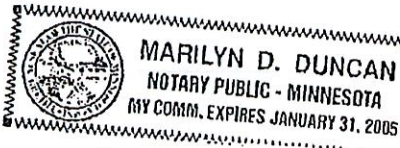
Mortgagor  
  


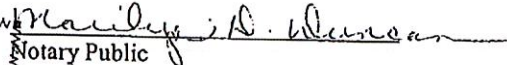
By: Gary L. Doty, Mayor

~~XXX~~ Attest: Jeffrey J. Cox, City Clerk

STATE OF MINNESOTA  
)SS.  
COUNTY OF ST. LOUIS

The foregoing instrument was acknowledged before me, a Notary Public in and for said County and State, this 15th day of October, 2002 by the \_\_\_\_\_ on behalf of said City. Mayor and City Clerk of the City of Duluth



  
 Notary Public  
 My commission expires \_\_\_\_\_

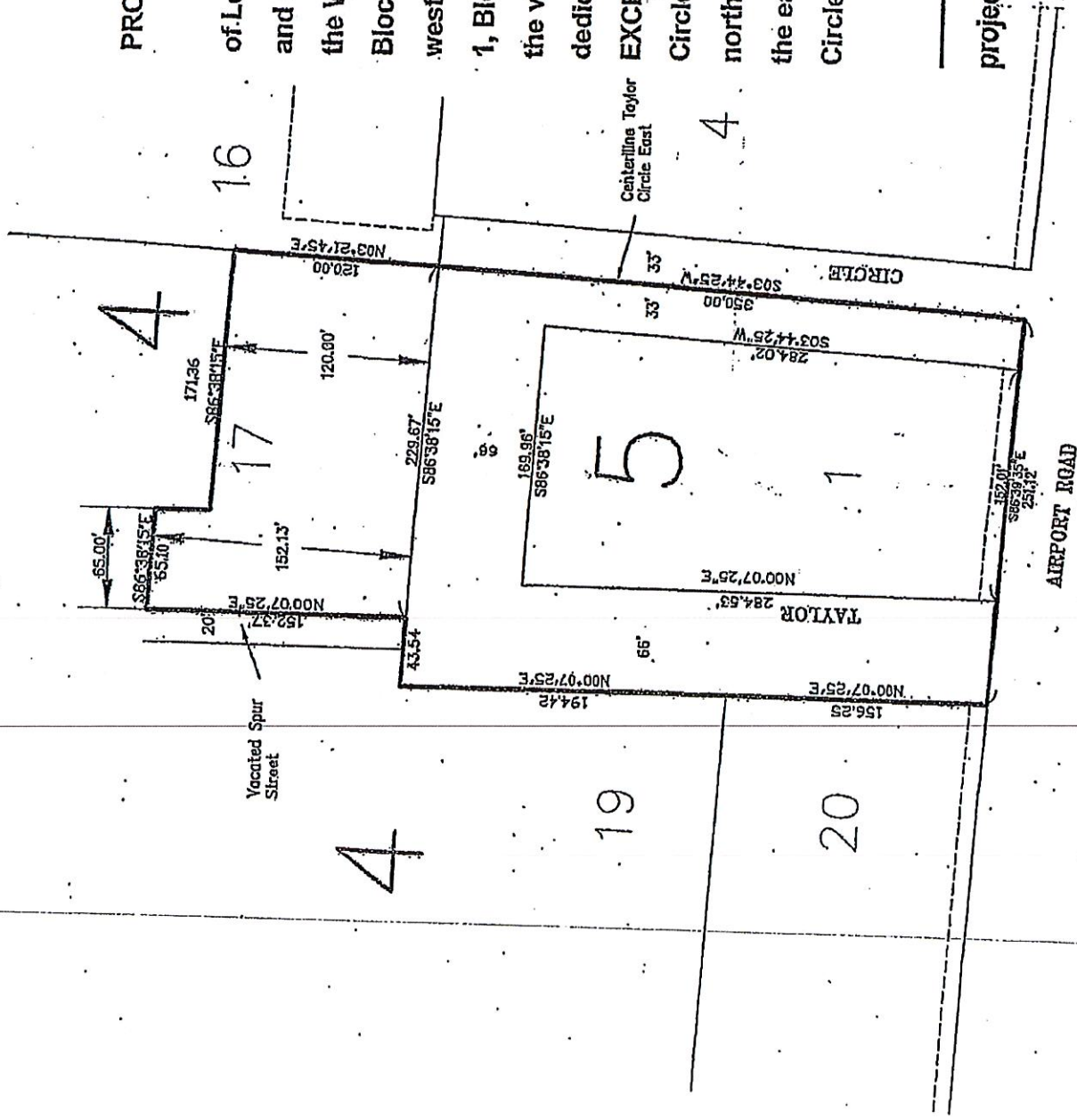
This instrument was prepared by:

Charlene Degen  
 Regional Counsel  
 Economic Development Administration  
 Chicago Regional Office  
 111 North Canal, Suite 855  
 Chicago, Illinois 60606

**PROJECT PREMISES:**

The South 120.00 feet of Lot 17, Block 4, Airport Division and also the South 152.13 feet of the West 65.00 feet of said Lot 17, Block 4, EXCEPT the vacated westerly adjacent spur street; Lot 1, Block 5, Airport Division; and the vacated Taylor Circle, as dedicated in said Airport Division, EXCEPT that part of said Taylor Circle lying easterly of the northerly extended centerline of the easterly portion of said Taylor Circle.

————— Denotes boundary of project premises.



## VII - I

### Duluth Airport Authority Cirrus Aircraft Non-Disturbance, Recognition and Attornment Agreement

***Background:***

- Original Cirrus Airport Ground Lease signed in 1993.
- Cirrus has/will purchase the “Incubator” building from City of Duluth.
- City of Duluth & Cirrus have entered into a sublease agreement for certain portions of the property.

***Agreement Overview:***

- In the event Ground Lease is terminated, DAA has agreed to grant non-disturbance to Cirrus under the sublease on the terms contained in agreement.

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

- Cirrus requested the agreement to protect the sublease in case the Ground Lease was terminated.

**NON-DISTURBANCE, RECOGNITION,  
AND ATTORNMENT AGREEMENT**

THIS NON-DISTURBANCE, RECOGNITION, AND ATTORNMENT AGREEMENT (the “**Agreement**”) is made as of the \_\_\_\_ day of \_\_\_\_\_, 2023, by and among Duluth Airport Authority (“**Ground Lessor**”), City of Duluth (“**Landlord**”) and Cirrus Design Corporation d/b/a Cirrus Aircraft, a Wisconsin corporation (“**Tenant**”)

RECITALS:

A. Ground Lessor and Landlord are the current parties to that certain Airport Ground Lease and Agreement dated August 12, 1993 (the “**Ground Lease**”), said Ground Lease which is attached hereto as Exhibit B, for certain real property located at the Duluth Airport, Duluth, Minnesota which is more particularly described on Exhibit A attached hereto (the “**Property**”).

B. Landlord and Tenant have entered into a Ground Sublease dated \_\_\_\_\_, 2023, (the “**Sublease**”), said sublease which is attached hereto as Exhibit C, for the use of certain portions of the Property more particularly described in the Sublease (the “**Premises**”); and

C. In the event the Ground Lease is terminated, Ground Lessor has agreed to grant non-disturbance to Tenant under the Sublease on the terms and conditions hereinafter set forth.

AGREEMENT:

For good and valuable consideration, Landlord, Tenant and Ground Lessor agree as follows:

1. NON-DISTURBANCE. If the Ground Lease is terminated for any reason, such termination shall not (i) result in the termination of the Sublease, except for such cause as would entitle Landlord to terminate the Sublease in accordance with the terms and conditions contained therein, or (ii) disturb the Tenant’s possession or use of the Premises and Property pursuant to the terms of the Sublease, provided that at the time of such termination Tenant shall not be in default under any of the terms, covenants or conditions of the Sublease or of this Agreement on Tenant’s part to be observed or performed beyond any applicable notice or grace period.

2. RECOGNITION AND ATTORNMENT; NEW LEASE. If the Ground Lease terminates for any reason, and the conditions set forth in Section 1 above have been met, at the time the Ground Lease terminates, then the Sublease shall not be terminated or affected thereby but shall continue in full force as a direct lease between Tenant and Ground Lessor on the same terms and conditions as are in effect under the Lease immediately preceding the termination of the Ground Lease, including without limitation, all rights of renewal, or, upon the request of Ground Lessor or Tenant, Ground Lessor and Tenant shall enter into a new lease on the same terms provided for in the Sublease. In the event that the Sublease becomes a direct lease with Ground Lessor, Tenant agrees to attorn to Ground Lessor, and Ground Lessor shall be deemed to have agreed to accept such attornment, whereupon, subject to the observance and performance by Tenant of all the terms, covenants and conditions of the Sublease on the part of Tenant to be observed and performed, Ground Lessor shall recognize the leasehold estate of Tenant under all



of the terms, covenants and conditions of the Sublease for the remaining balance of the term of the Sublease (as may be extended pursuant to the terms therein) with the same force and effect as if Ground Lessor were the lessor under the Sublease.

3. PRIVITY. Notwithstanding anything to the contrary in the Ground Lease or the Sublease, except as otherwise specifically provided in this Agreement, Subtenant (i) is not in privity of contract with Ground Lessor with respect to either the Ground Lease or Sublease, and (ii) does not owe any obligation or duty to Ground Lessor under the Ground Lease, Sublease or otherwise.

4. NOTICES. Unless otherwise expressly provided herein, any notice or other communication required or given shall be in writing and shall be effective for any purpose if served, with delivery or postage costs prepaid, by nationally recognized commercial overnight delivery service or by registered or certified mail, return receipt requested, to the following addresses, or such other addresses as may be provided in writing by the Parties from time to time:

To Ground Lessor: Duluth Airport Authority  
Duluth International Airport  
4701 Grinden Drive  
Duluth, MN 55811  
Attn: Executive Director

To Landlord: City of Duluth  
411 W First Street  
City Hall Room 401  
Duluth MN 55802  
Attn: Director of Property, Parks, and Libraries

To Tenant: Cirrus Design Corp.  
4515 Taylor Circle  
Duluth, MN 55811  
Attn: Legal Department

5. SUCCESSORS AND ASSIGNS. This Agreement shall be binding upon and inure to the benefit of Ground Lessor, Landlord and Tenant, and their respective successors and assigns.

6. GOVERNING LAW. This Agreement shall be deemed to be a contract entered into pursuant to the laws of Minnesota and shall in all respects be governed, construed, applied and enforced in accordance with the laws of the State of Minnesota.

7. MISCELLANEOUS. This Agreement may not be modified in any manner or terminated except by an instrument in writing executed by the parties hereto. If any term, covenant or condition of this Agreement is held to be invalid, illegal or unenforceable in any respect, this Agreement shall be construed without such provision. This Agreement may be executed in any number of duplicate originals and each duplicate original shall be deemed to be an original. This Agreement may be executed in several counterparts, each of which counterparts shall be deemed an original instrument and all of which together shall constitute a single Agreement. The failure

of any party hereto to execute this Agreement, or any counterpart hereof, shall not relieve the other signatories from their obligations hereunder. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of nouns and pronouns shall include the plural and vice versa.

[SIGNATURE PAGES FOLLOW]



TENANT:

Cirrus Design Corporation d/b/a Cirrus Aircraft, a  
Wisconsin corporation

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

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

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

STATE OF MINNESOTA    )  
  ) SS  
ST LOUIS COUNTY        )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2023, by \_\_\_\_\_, as \_\_\_\_\_ of the Cirrus Design Corporation d/b/a Cirrus Aircraft, a Wisconsin corporation, on behalf of the corporation.

\_\_\_\_\_

Name: \_\_\_\_\_  
Notary Public, State of Minnesota





**EXHIBIT A**  
**TO SUBTENANT NON-DISTURBANCE, RECOGNITION,**  
**AND ATTORNMENT AGREEMENT**

Legal Description of the Property

Lots 18 and 19, Block 4 Airport Division, according to the recorded plat thereof, in the City of Duluth, County of St. Louis and State of Minnesota.

## VII - J

Duluth Airport Authority  
Decomm Aviation Consulting  
Master Services Agreement & Task Order 1

**Terms:**

- June 20, 2023-December 31, 2024

**Background:**

- Decomm will provide professional services as the DAA negotiates new Airline Use & Lease Agreements.

**Agreement Overview:**

- Task Order includes scope of work.
- Professional services budget of \$50,400 to be paid based on time and materials.
- Travel-related expenses to be billed separately with no cost mark-up.

**DULUTH AIRPORT AUTHORITY  
AND  
DECOMM AVIATION CONSULTING  
MASTER SERVICES AGREEMENT**

THIS MASTER SERVICES AGREEMENT BETWEEN CONSULTANT AND CLIENT (hereinafter referred to as the "Agreement") is entered into by and between Decomm Aviation Consulting ("Consultant") having a place of business at 1118 Station Trail, Eagan, MN 55123 and the Duluth Airport Authority ("Client"), and has an Effective Date based upon the full execution of this Agreement. Consultant and Client are each individually referred to as a "Party" and collectively as the "Parties".

**In consideration of the mutual promises or covenants contained in this Agreement, the Parties agree as follows:**

- A. **Services:** This Agreement establishes the terms and conditions under which Consultant agrees to provide services to Client on specific projects required to support the Airport (hereinafter referred to as the "Project").

For each Project, Client and Consultant will enter into a mutually agreed upon Task Order, executed by both parties, which will be appended hereto (each a "Task Order") in numerical order based on the date of commencement of the services of that Task Order. Each Task Order will describe the services to be performed ("Services"), pricing, commencement date of the project and estimated performance period all of which shall be negotiated independently for each Task Order. The results and proceeds performed under this agreement will be summarized as Deliverables (the "Deliverables"). In the event of a conflict in terms between this Agreement and any Task Order, the Agreement shall control.

- B. **Term, Termination, and Survival:** Unless otherwise terminated as herein provided, the term of this Agreement shall commence on the Effective Date and shall continue through December 31, 2024. In the event this Agreement is not terminated thirty (30) days prior to December 31, 2024, pursuant to the terms hereof, this Agreement shall automatically renew and extend for an additional successive one (1) year term (January 1 through December 31) unless otherwise terminated as herein provided. Notwithstanding the foregoing, the Services shall be performed within the term specified in the relevant Task Order. Any terms of this Agreement which by their nature extend beyond termination of this Agreement shall survive and bind the parties and their successors and assigns.

In the event that key personnel for the Client included in a Task Order shall no longer be available to perform the tasks outlined in the Task Order, the Client shall have the right to terminate any Task Order following thirty (30) days written notice.

- C. This Agreement is subject to the Terms and Conditions contained below, and the provisions of the exhibits attached hereto and made a part hereof:

**Exhibit A: Proposal Dated May 4, 2023**

**Exhibit B: Task Order 1**



## TERMS AND CONDITIONS

Client and Consultant agree that the following provisions shall be part of this Agreement:

1. **Assignment.** This Agreement shall not be assigned by either Client or Consultant without the prior written consent of the other. Neither Client nor Consultant shall assign claims arising from the Agreement without the prior written consent of the other.
2. **Non-Waiver.** Consultant's or Client's waiver of any term, condition or covenant shall not constitute the waiver of any other term, condition or covenant. Consultant's or Client's waiver of any breach of this Agreement shall not constitute the waiver of any other breach of the Agreement.
3. **Unenforceable Terms; Effect.** If any term, condition or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall be valid and binding on both the Client and Consultant.
4. **Confidentiality.** Both parties shall adhere to the obligations and requirements of the state's open records as may be applicable and the confidentiality provisions set forth hereafter are subject to those requirements. Consultant agrees to regard and preserve as confidential all information related to the business and activities of Client that may be obtained by Consultant as a result of performing Services under this Agreement. Client agrees to regard and preserve as confidential all information related to the business and activities of Consultant that may be obtained by Client as a result of this Agreement and the performance of Services contemplated hereby, including, without limitation, all information regarding pricing of Services. Both parties agree to hold such information in trust and confidence for the other party and not to disclose such information to any person, firm, or enterprise, or use any such information to its own benefit, or to the benefit of any third party, unless authorized in writing by the party in interest. Information shall not be considered confidential to the extent that such information is: (i) already known free of any restriction at the time it is obtained; (ii) subsequently learned from an independent third party free of any restriction; or (iii) generally available to the public.
5. **Intellectual Property.** In the course of performance under this Agreement, Consultant may use products, materials, tools, and methodologies that are proprietary to Consultant or to third parties (collectively, "Proprietary Items"). Client will not have or obtain any rights in such Proprietary Items other than (i) to use them as authorized by Consultant in writing from time to time solely for purposes of performing its responsibilities under this Agreement. If Proprietary Items are made available to the Client, they will be made available "AS IS" and without express or implied warranties of any kind. Nothing in this Agreement will preclude Consultant from marketing, developing, or using for itself or others, services or products that are the same as or similar to those provided to Client by Consultant pursuant to this Agreement. Furthermore, the Consultant will continue to be free to use its general knowledge, skills, and experience and any ideas, concepts, knowledge, and techniques related to the scope of this Agreement and used in the course of performing its obligations hereunder.
6. **Limited License.** Client agrees not to use or permit any other person to use plans, specifications, drawings, cost estimates, reports or other documents (hereafter "work product") prepared by Consultant which are not final and/or not signed by Consultant. Client further agrees that final plans, specifications, drawings, cost estimates, reports or other documents are for the exclusive use of Client and may be used by Client only for the Project described on page 1 of this Agreement and/or project specified in appended Task Order and such use is subject to the terms and conditions of this Agreement. Such final plans, specifications, drawings, cost estimates, reports or other documents may not be changed or used on a different project without written authorization or approval by the Consultant.
7. **Scope of Services:** Client acknowledges that Consultant will be providing services specified in individual Task Orders. The Parties acknowledge and agree that work items not expressly listed in a Task Order are excluded from Consultant's Services. These "Excluded Services" include, without intent to limit, construction, engineering, design related skill or service, legal advice, as well as any other item not expressly listed in an executed Task Order
8. **Not a Municipal Advisor.** Consultant is not registered with the U.S. Securities & Exchange Commission as a municipal advisor, is not acting as a municipal advisor, and does not assume any fiduciary duties or

provide advisory services as described in Section 15B of the Securities Exchange Act of 1934 or otherwise. Consultant does not make recommendations or advice regarding any action to be taken by our clients with respect to any prospective, new, or existing municipal financial products or issuance of municipal securities including with respect to the structure, timing, terms or other similar matters concerning municipal financial products or the issuance of municipal securities.

9. **Payment Terms.** Client agrees to pay the Consultant for Services rendered under any Task Order pursuant to the pricing information contained in such Task Order. In addition to the Consultant's fees for Services, Client agrees to reimburse Consultant for all actual expenses incurred in the course of providing Services to Client including, but not limited to, travel and ordinary business expenses. Travel expenses will be reimbursed separately at cost and without markup. On hourly assignments, fees for travel time will be billed at one-half of the hourly rate. On hourly assignments, fees charged during travel assignments will have a minimum fee of one-half day at the hourly rate.

Consultant will bill Client on a monthly basis unless agreed otherwise in a Task Order. Client shall make payment to Consultant within thirty (30) days of the date of Consultant's invoice. It is agreed that late payments will be subject to an interest charge of one (1) percent per month. Payment shall be made to the address set forth in such invoice.

10. **Revisions Required by Authority Having Jurisdiction.** If Consultant, pursuant to this Agreement, produces plans, specifications, or other documents and/or performs field services, and such plans, specifications, or other documents and/or field services are required by any governmental agency, and such governmental agency changes its ordinances, codes, policies, procedures or requirements after the date of this Agreement, any additional services thereby required shall be paid for by Client as Additional Services.
11. **Additional Services (Variations).** Client agrees that if Client requests services not specified in the scope of services for a Task Order, Client will authorize and execute an amended or new Task Order for all such additional services requested. Amended Task Orders shall specify all changes or additions. Any new or Amended Task Order must be executed by both parties prior to commencement of the additional services. The Consultant is not obligated to perform additional services without an executed Task Order specific to the change.
12. **Delays.** Consultant is not responsible for delay caused by activities or factors beyond Consultant's reasonable control, including but not limited to, force majeure, accidents or equipment malfunctions, acts of God, failure of Client to furnish timely information or approve/disapprove of Consultant's services or instruments of service promptly, faulty performance by Client or other third parties. When such delays are beyond Consultant's reasonable control occur, Client agrees Consultant shall not be responsible for damages nor shall Consultant be deemed to be in default of this Agreement.
13. **Indemnification.** The parties shall indemnify, defend and hold harmless one another from and against any and all suits, proceedings at law or in equity, claims, liabilities, costs, payments, and expenses (including reasonable attorney fees) asserted against or incurred by such indemnitee, arising out of or in connection with any claim by any party with respect to the indemnifying party's negligence in the performance of this Agreement; provided, however, the indemnifying party shall have no obligation to indemnify, defend or hold harmless the indemnitee for the indemnitee's willful misconduct or gross negligence in the performance of this Agreement.
14. **Limitation of Liability.** Client agrees to limit the liability of Consultant, its principals, employees and subconsultants, to Client for actual damages to an amount equal to the amounts paid by Client to Consultant under the relevant Task Order under which the claim or claims arose. This limitation will apply regardless of the form of action, whether in contract or in tort, including negligence. In no event will either party be liable for any lost revenues, lost profits, incidental damages, consequential damages, or other economic damages, even if advised of the possibility of such damages. In addition, except to the extent a specific obligation of indemnification is provided under this Agreement, neither party will be liable for any damages claimed by the other based on any third-party claims.
15. **Disclaimer of Individual Professional Liability.** To the fullest extent permitted by applicable law, Consultant's individual professional employees and officers shall not be liable for negligence, and any claims arising in relation to the Services provided under this Agreement shall be brought against Consultant and not its individual professional employees.
16. **Contractors.** Client acknowledges that Consultant is not responsible for the performance of work by third parties including, but not limited to, a construction contractor and its subcontractors.

17. **No Warranty.** Consultant makes no warranty, either express or implied, as to its findings, recommendations, plans, specifications, or professional advice except that the services were performed pursuant to generally accepted standards of professional practice in effect at the time of performance.
18. **Venue.** Client agrees that in the event Consultant institutes litigation to enforce or interpret the provisions of this Agreement, such litigation is to be brought and adjudicated in the appropriate court in the county in which Consultant's principal place of business is located, or where the Project is located, and Client waives the right to bring, try or remove such litigation to any other state, county, territory or judicial district.
19. **Notice.** All notices which are required or may be given pursuant to this Agreement must be in writing and sent to the individual listed below or his successor at the address above first written. Notices shall be delivered by a recognized courier service such as Federal Express, USPS or UPS, with package tracing capability.
20. **Mediation.** The Parties agree that all disputes between them arising out of or relating to this Agreement shall be submitted to mediation, unless the parties mutually agree otherwise.
21. **Integration and Merger.** This Agreement contains the entire and integrated agreement between Client and Consultant relating to the Project and the provision of services for the project. Any prior agreements, promises, proposals, negotiations or representations not expressly set forth in this Agreement are of no force or effect. Subsequent modifications to this Agreement shall be in writing and signed by the Parties.

**WHEREAS, the parties hereto entered into this Agreement as of the Effective Date.**

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

**Decomm Ventures LP (DBA Decomm Aviation Consulting)**

**DULUTH AIRPORT AUTHORITY**

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

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

**Name: John DeCoster**

**President**

**Title: President**

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

**Secretary**



Decomm Aviation Consulting

May 4, 2023

Duluth Airport Authority  
Attn: Jana Kayser  
4701 Grinden Drive  
Duluth, MN 55811



ORIGINAL

***RE: Response to Request for Qualifications: Airport Consulting Service for Development of Airport Airline Use and Lease Agreement – Duluth International Airport Solicitation 23-4406***

Dear Ms. Kayser and the Selection Committee Members,

The Duluth Airport Authority (“Authority” or “DAA”) is seeking Statements of Qualifications from qualified firms with a thorough knowledge of, and experience in, the preparation of agreements for the facilities leased by airlines, as well as providing analytical insights, financial modeling, current industry best practices, and economic analysis, to deliver support to the Authority to provide analytical insights, current industry best practices, and economic analysis to support the Authority and provide a comprehensive negotiation plan, leading to the execution of a new Airline Lease Use and Lease Agreement for the Duluth International Airport (“Airport” or “DLH”).

Decomm Aviation Consulting (“Decomm”) is pleased to submit a response to the Request for Qualifications to perform these services for the Duluth Airport Authority. Decomm is a new consulting practice formed in 2022 that provides comprehensive aviation consulting services focusing on the non-hub and small hub airport segments. John DeCoster, President, formed the consulting practice after he recently retired from Landrum & Brown (“L&B”) with the intention of providing consulting services focused on non-hub and small hub airport business components. Prior to joining L&B in 2018 following their acquisition of Trillion Aviation, John was Senior Vice President of Trillion Aviation from 2007-2018 and one of the original consultants. From its inception, Trillion was committed to working with non-hub and small hub airports and became the industry leader in that market segment. Following the acquisition, John was an Associate Vice President with L&B primarily working with his holdover Trillion clients until his retirement. Prior to becoming a consultant and joining Trillion, John was Regional Director, Airport Affairs for Northwest Airlines from 1995-2007 and had responsibility for DLH from 1995-2003. During his time with Northwest, John worked with over 150 airports of all sizes in the Midwest and west regions and has been part of dozens of airline lease negotiations. Although Decomm is new in name, John has been involved with rates and charges modeling and lease negotiations for 28 years from both sides of the table.

While at Trillion, John provided extensive business development services for the Authority beginning 2010, including the development of the current model and the negotiation of the existing lease that was introduced with the move to the new Terminal. John was also involved in numerous other business-related initiatives at DLH, as well as the recently completed Master





## Decomm Aviation Consulting

Plan Finance Chapter. This comprehensive understanding of the Authority's historical and current conditions be Decomm provides the Authority a unique opportunity to immediately engage in the strategic discussions on the market, lease model alternatives that have been successful in similar situations, and "industry best practices" lease terms without the need to familiarize the consultant with the history and current situation at DLH. The industry has changed significantly since the existing model and the lease were developed and simply updating what is in place will not guarantee success for DLH with the new lease. A ground up approach as outlined in this submittal will allow DAA to assess what focus areas need to be addressed to make DLH as competitive as possible with the airlines while supporting the overall Strategic Plan adopted by the Board.

Decomm will be teaming with Dan Benzon who has also recently formed Benzon Aviation Consulting ("BAC") for this task. Dan Benzon, President, served as Executive Vice President at L&B before starting BAC in August 2022. Prior to that, Dan was founder and President of Trillion Aviation from 2006 until 2018 when it was purchased by L&B. John and Dan have worked closely together in numerous similar tasks for the last 16 years and offer unmatched experience in dealing with the challenges that airline lease negotiations pose to non-hub and small hub airports. Prior to starting Trillion, Dan was a corporate real estate director at Continental Airlines. In addition to his extensive experience, Dan is also an attorney and is expert in developing lease language and addressing issues usually raised by airline legal teams during the negotiation process. Similar to John, Dan has the experience from both sides of the table to bring an airline perspective to the negotiations.

For this project, the Project Manager and point of contact will be John DeCoster. John is based in Minnesota and is acutely aware of the challenges that the greater Minnesota airports face. John is also very familiar with the Landline product and in fact, developed a white paper for the Authority in one of his earlier assignments that addressed the multi-modal concept that is now being implemented. Since the Landline passenger will likely need to be addressed as part of this airline lease, this familiarity will expedite the development of how to address that component.

Contact information for John is as follows:

John DeCoster, Project Manager

Phone: (763) 234-1725

E-mail: [jdecoster@decommaviation.com](mailto:jdecoster@decommaviation.com)

John will coordinate the subtasks BAC will be performing and will incorporate them into the overall strategy and documents.

This task will be an interactive process that will start with a strategic phase between the consultant team and airport team. This phase will include a thorough review of how the Strategic Plan will impact the lease negotiation; the current and projected condition of the industry and evolving stress points over the next 3-5 years; a discussion on the performance of the incumbent airlines and a discussion of potential new service alternatives that may be targeted in



## Decomm Aviation Consulting

the next 3-5 years; alternatives that have worked in similarly situated airports; likely reactions from the incumbent and potential new entrant airlines; and an assessment of different rates and charges models and the pros and cons of each. It is imperative that there is internal consensus on the strategic direction and the resulting rates and charges model before the drafting of the lease commences.

Once the strategic direction is agreed upon, Decomm will take the lead in developing the model for review and discussion. Decomm will serve as the lead in drafting the lease using the existing template as the baseline document. This is done to expedite the process so that previously agreed to terms in the lease, if not impacted by the strategic direction, will likely not involve any significant discussion so that the focus of the negotiations will be on the more strategic issues that impact DAA. Prior to issuance to the airlines, it is recommended that the Authority be briefed on the base business terms being proposed so that there is Board understanding of what will be proposed and how the terms support the strategic plan.

In checking the City of Duluth Purchasing website as of May 3, 2023, there are no addenda posted.

Thank you for the opportunity to submit a response to this Request for Qualifications. With Dan's and my long-standing relationship with the Duluth Airport Authority staff and knowledge of the local market and the industry, I believe that we can accomplish a successful lease negotiation and ensure that it fits into the context of DAA's Strategic Plan to meet the financial goals of the Authority.

If there are any questions, please feel free to contact me.

Sincerely,

John DeCoster  
President

Cc: Dan Benzon, Benzon Aviation Consulting





## **SUBMISSION REQUIREMENTS AND RESPONSES**

### **Qualifications, Industry Assessment, & Experience**

#### **Firm Overview**

Although started in 2022, Decomm Aviation represents 28 years of aviation expertise from John DeCoster with experience from both the airline side of the table working with over 150 airports of all sizes with Northwest, and as an airport business consultant with Trillion and L&B assisting dozens of airports, with the primary focus being non-hub and small hub airports. In lease negotiations, particularly with non-hub and small hub airports, it is essential to understand the airline's perspective in developing rates and charges models and lease terms. Legacy airlines have different priorities and perspectives than Ultra Low-Cost Airlines ("ULCCs") and both have different priorities than airlines such as Sun Country, SkyWest flying on pro rate routes, and some of the emerging airlines. John and Dan have extensive experience working with airports that have had to balance the respective priorities in lease negotiations. The model that is adopted and the resulting airline lease terms CANNOT become a barrier to entry for airports such as DLH so that that the Authority has the ability to pursue all airline segments. We understand and support DLH's strategic business-driven needs from our experience in DLH and will develop alternatives that will support the Strategic Plan.

During the long history of working with DLH, John and Dan have worked closely with Mike Bown, Duluth's air service consultant, working together at Trillion and during our time with L&B. We continue to work with Mike with our new clients and have regular dialogue with him on how the airline business terms impact his pursuit of new or enhanced service for his airport clients. That collaboration will be part of the process proposed.

Although new, Decomm Aviation has already established airport clients ranging from the southeast, along the southern border to the Pacific northwest, and the upper Midwest. This new national cross section along with the national client base that BAC has developed, as well as the consulting experience since 2006, gives our team the ability to blend the national issues and trends with detailed knowledge of Minnesota and the Duluth market. We will bring that understanding to create alternative strategies that are most applicable to DAA. While we have a strong history with DAA, we will not approach this task based solely on what had been done previously; rather will bring the industry trends we are seeing to the discussion to identify alternatives and arrive at the best options that meet the current and projected strategies. The airlines currently serving DLH, the emerging Landline program that is supported by Sun Country, and the potential new airlines that DAA intends to solicit in the next 5 years, will be a significant part of the discussion as the airline lease strategy is developed.



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### Industry Assessment

Prior to the pandemic, the commercial aviation industry had “right sized” and was experiencing record profits. While there were issues related to aging aircraft and a potential pilot shortage due to a mandatory retirement age, the industry was prospering. Airlines were expanding cautiously and most of the unprofitable flying had been eliminated. Fuel prices had become stable and the economics for flying 50-seat aircraft had stabilized and the aircraft was a part of future plans. During this time, there was also significant expansion of LCC and ULCC service at MSP which directly impacted leakage to MSP for the leisure travelers that were deciding to use DLH or drive to MSP to get a lower fare.

During the pandemic, the commercial service sector was decimated. This impacted airline negotiations with airports. Lockdowns and vaccine requirements in most states brought demand to a halt. Airlines were losing money and offered early retirement packages and thousands of pilots, crews, and support staff took advantage of the packages to shed costs. In 2021, as demand slowly began to recover, airlines were faced with a lack of pilots and staff and, coupled with a major increase in fuel prices, airlines struggled and posted significant losses. This resulted in the industry reducing service, and for the legacies, retiring and phasing out many of the inefficient 50-seat and larger aircraft. This industry issue had a direct impact on DLH because the regional jet has historically been the primary aircraft that has served the market.

While Delta and United continued service during the recovery, frequency was reduced. The more recent addition of Sun County helped offset the legacy decline and the subsequent partnership they developed with Landline offers a new product that positively impacts DLH.

The overall industry passenger recovery is now nearly back to 2019 levels and a limited level of profitability has been restored. Legacy airlines have continued to phase out the 50-seat regional jet which has an impact on DLH and replace them with 70-76 seat two class aircraft, and in some cases, small narrow body aircraft. DLH has had much of the seat capacity restored with the introduction of the Sun Country flights. The unknown at this time is how the Landline passengers will factor into the “passenger” equation going forward. Since there are only a handful of situations where the multi-modal situation exists, DAA will be on the leading edge in dealing with that in the upcoming lease negotiations.

From an industry perspective, the issue of airline leases at small airports has been evolving. When the pandemic hit, expiring leases that were in the process of negotiation prior to 2020 were immediately terminated. New lease negotiations that were slated to start for expiring leases were not initiated and leases were continued under holdover. When the limited situations involving lease negotiations that were in progress resumed, airlines came back with much more conservative terms including short lease terms, a demand for more committed non-airline revenue, and requirements that airports use all remaining pandemic grant monies (i.e., CARES, CRSSA, ARPA) to write down rates and charges. Where cost-based recovery models were used, due to increased expenses and lower activity resulted in significant increases in rates, airlines asked for forgiveness of calculated increases or for the increases to be phased in over a period of years. Airlines have used the argument that the increases were not in their budget, therefore, they would not be able to get approval of the lease and corresponding rates, fees, and charges. Many leases remain in holdover and airports are having to rely on pandemic funds and/or airport reserves to bridge the gap.





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This is relevant for DAA because in the Strategic Plan there is a goal of \$750,000 of unencumbered cash as well as capital needs to repair/replace the aging buildings that generate revenue for DAA. This issue will need to be an important part of the lease strategic discussion and part of the early discussions regarding the model.

### Firm Qualifications

It is estimated that approximately eighty percent (80%) of the work on this assignment will be completed by Decomm and twenty percent (20%) will be performed by BAC. In each section, it will be identified the roles each will play in completing the task.

Decomm offers the following response to the scope of services identified.

*Provide Information on Current Airport Industry Practices for Airline Use & Lease Agreements and Provide Analysis to Support Recommended Business Agreement Strategies to Align with the Authority's Recently Approved Airport Master Plan and Airport Strategic Plan.*

The strategic initiatives according to the Strategic Plan include:

- a. Infrastructure Renewal
- b. Support Economic Development
- c. Strengthen the Duluth Airport Authority's Cash Position
- d. Strengthen/Grow Air Service

These initiatives have been ongoing challenges for the Authority since the current management team started. There has been significant progress made to date in each area and the progress must continue to meet future demands. Development of the new air traffic control tower, the Taxiway A reconstruction project, rehabilitation of Runway 3-21, the potential general aviation ramp expansion, and the terminal ramp expansion are significant projects that will need to be factored into the future financial plan. While these were addressed as part of the Master Plan Finance Chapter, these will need to be updated and validated as part of the modeling process. Updating the sources and uses of funds plan for these projects needs to be coupled without placing an un-burdensome demand on airline rates and charges.

Historically, many non-hub and small hub airline leases have included barriers to entry for ULCC and less than daily service airlines. These barriers included the categorization of some passenger processing space as exclusive so airlines could not be forced to provide space for new entrant airlines or for additional service from other incumbent airlines; having a fixed component for the allocation of joint use charges; having minimum space requirements; and having gate allocations based on a utilization. Fortunately, the expired DLH agreement has eliminated those elements from the discussion.

Since DLH lost service from Allegiant due to the drop in Canadian customers, DLH has not had a ULCC carrier and has been served solely by Delta and United, with a short period where American also served the market, until the recent entry of Sun Country. Sun Country also has a relationship with ground transportation offered by Landline to provide non-secure transportation to MSP to catch Sun Country flights there. While the service is currently non-secure, the potential for the Landline service to be upgraded to a "secured" environment is a possibility



## Decomm Aviation Consulting

pending action from the TSA. The fact that legacy airlines are reducing the reliance on the 50-seat aircraft throughout their systems makes a multi-modal alternative a higher possibility. The alternative may be expanded to provide additional frequency to MSP for an airline like Delta who may reduce frequency because of a conversion to larger aircraft with the market not able to generate local demand to match the increase in seats, or it could be related to a deepening of the relationship with Sun Country so that effectively Landline becomes a “feeder” to Sun Country’s operation at MSP.

In either event, the strategic discussion on the new lease needs to factor in the “what if” if Landline service is expanded to a secure situation. Under that scenario based on the concept that was included in the white paper, the Landline passenger would proceed through the same process as a passenger boarding a plane which means that they would need to use ticketing, the checkpoint, baggage make-up, the holdroom and passenger loading bridges to access the bus, and baggage claim. Legacy airlines have firmly stated a position in lease negotiations of “pay for what you use” which would have to be extended to the Landline passenger in that case to get airline buy in. Since air service growth is a priority in the Strategic Plan, this issue will need to be addressed for DAA to attract as many potential passengers, from all available sources, as possible to generate non-airline revenue which is key to the strategic goal of increasing DAA’s cash position. Ultimately, having a very inviting approach toward a lease that encourages competition while all users “pay for what they use” will also position DAA to be able to market to ULCCs due to the agreement not being a barrier to entry. In developing the approach, a strategic discussion will need to take place throughout the analysis on the likely reaction to the approach by the legacy airlines. The Sun Country role in this will also need to be analyzed as to whether they are willing to backstop an operation such as Landline so that the passengers are considered “airline” passengers and processed through “airline rented space” or if Landline needs to be included as an “airline” in the lease. This is an emerging scenario so there is no proven example in the industry to use as a template.

The issues that need to be discussed as part of this strategic analysis includes, but is not limited to:

- a. The airline mix and profitability at DLH. This would include current airlines and targeted airlines.
- b. The potential for new service and from what airline(s).
- c. How Landline fits into the equation.
- d. The potential airline and non-airline revenue associated with current and potential new service. This will be key in determining the rate making methodology (i.e., compensatory, residual, a hybrid of both, or ordinance with an operating agreement).
- e. Debt service coverage and cash investment reimbursement.
- f. Committed allocations of revenue and expenses versus discretionary revenue allocations.
- g. Definition of airline space and any potential changes as well as how unleased airline space is factored into the model. This will need to include the discussion of the IAF.



## Decomm Aviation Consulting

- h. End of year reconciliations.
- i. How/if discretionary revenue gets used (i.e., write down rates and charges, fund local share of CIP, fund other development, or some combination) to meet the stated goal of the \$750,000 unencumbered cash balance requirement, etc.
- j. Fuel flowage fees and their application to commercial airlines.
- k. What will be needed to support non-airline infrastructure and local share capital needs.
- l. How FY2024 rates will be determined.

These issues and any others identified by the DAA should be discussed during a strategic kick-off workshop session conducted on site to discuss the various issues and options and how each is being addressed in other similar situations. After defining consensus positions, Decomm would begin developing variations of the model that would quantify the sensitivity of the various options and the potential impact on both the Authority and airlines. Once these are defined and the initial model is developed, a second on-site workshop would take place where the model alternatives will be shared and discussed to further refine for the development of the terms for the initial draft of the lease. It is not essential for all items to be firmly committed to at this point and placeholders can be added to the draft with final language added once final decisions are made. Once the final model and proposed lease draft are completed, a third on-site workshop should take place to review the lease and the most current version of the model to understand how the two fit together.

Once the third workshop is complete, the draft lease would be finalized in Word and distributed to the airlines to have them respond through redlines and comment boxes. The model would also be finalized in Excel and only shared with the airlines in PDF to protect the formulas at the negotiation meeting. An on-site negotiation session would be set up to review and discuss the lease terms and at the negotiation session the model would be presented and discussed. As a matter of practice, Decomm does not send the model prior to this meeting since the airlines will focus solely on that to figure out how to reduce rates and not even get to the lease discussion.

Decomm will lead this effort and will provide approximately 80% of the effort on this task and DAC will support and primarily focus on the broader industry perspective and strategic direction.

### *Conduct a Rates and Charges Study*

Since John DeCoster and Dan Benzon have primarily worked for non-hub and small hub airports since 2007, we have a solid database of rates and charges from our respective client bases as well as contacts in the industry that we can approach for additional information.

It should be noted however, that a rates and charges study should only be used as a reference point. Many airports the size of DLH are subsidized through a local tax based or some other form of non-airport revenue, thus they are not required to generate sufficient revenue to cover expenses which results in the rates not being an apples-to-apples comparison. Other factors that will impact rates and charges at other airports include:





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1. The level of debt that is built into the rates and charges (ex. XWA has the City pay all debt service payments from an oil fund from the State).
2. Whether “downtown” charges are charged to the airport and if they, are they based on full cost recovery.
3. Whether rates and charges are fixed with the airport taking the risk or reconcilable at year end depending on actual results.
4. Whether capital projects funded with airport cash are recovered through rates and charges or just expensed.
5. Whether rates and charges are being subsidized by pandemic grants (CARES, CRSSA, and ARPA) and for how long.
6. If there is a large airport cash fund balance that can be used to write down rates and charges without putting the airport under financial stress.
7. The level of non-airline revenue that is generated and what it is dedicated to.
8. The level of investment required by the airport for non-terminal facilities.

Airlines tend to like to reference other airports with low rates and charges that are usually impacted by one of the conditions above. It will be good to have the information but also, as a part of the study, include details on issues such as what is outlined above so that rate differences are quantified. This will be especially true in the current environment in that many small airports had leases that expired during the pandemic and rates may have been artificially set and do not even follow a model that would have been in place at the time of expiration.

We have worked with many small airports during the pandemic, and many are seeing the reduction in the use of smaller aircraft that primarily serve their markets and are doing whatever it takes to keep rates and charges low to not bring attention to their airport. That may be successful for a while, but if an airport must be financially self-sufficient, such as DLH, at some point rates and charges need to be set to cover costs.

Decomm will lead this effort with 90% of the effort and DAC will provide data from its database.

### *Review and Refine the Current Revenue, Expense, and Square Footage Models Included in the Rates and Charges Model to Ensure Accuracy*

One of the first questions airlines ask at the beginning of a negotiation is a summary of what the airport has done to increase non-airline revenue, since in most cases like DLH, that revenue is used to write down the rates and charges from full cost recovery. In fact, we have used that as the first agenda item for recent negotiations and it has resulted in a positive response from the airlines.

Decomm has first-hand knowledge of DLH’s history of the non-airline revenues, expenses, and square footage that make-up the airport’s financials and the current rate and charges model from having developed the model in preparation of the opening of the new terminal. At that time, certain assumptions were made on square footage and utilization based on the expectations at that point. Since then, things have changed (ex. use of the AIF, use of the facilities during diversions, requests by Monaco to lease terminal space, checkpoints now being considered airline joint use space in the space allocation, Landleine space, squatting in joint use space, etc.). The square footage and uses will still need to be reviewed especially when there is some consideration being given to converting some of the IAF space to domestic passenger





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processing space. It would also be recommended to revalidate the original allocation of spaces (i.e., ticket counter queue area, locker areas, storage areas, TSA checkpoint, holdrooms, baggage tug and support areas, TSA admin space, etc.) to ensure the airlines are being charged for the space they are using.

This project would build on the work already started under the Airport Master Plan Finance Chapter to update the current model thereby validating accuracy and creating a baseline model which will be used to compare alternative models to.

Decomm also recommends a review of all current revenue generating contracts to identify strategic areas where non-airline revenues can be increased in the future. From the review, a micro strategic plan would be developed including timeframe and expected return. While not all contracts will be able to be adjusted due to the terms and conditions of the existing Agreements, having a proactive first-hand knowledge of what can and can't be done can be presented to the airlines at the start of the negotiation to eliminate that from the discussion. Part of the analysis would be to track historical revenue patterns and benchmark comparable airports. It is expected that the airlines will want assurance that the Authority is doing everything it can to generate non-airline revenue to be applied against rates and charges.

For expenses, a similar analysis to the historical expenses benchmarked against enplanements should be developed once the model is built. It should go back to FY2019 and include FY2021 and FY2022 (2020 is not included because of COVID). This internal YOY comparison will short circuit the discussion with the airlines on their likely position that the airport needs to reduce costs.

The final piece of the preparatory work would be to outline in detail how CARES/CRSSA/ARPA funds are/were used. From our experience in meeting with airlines since the pandemic, this is a major focus point of the airlines to understand how it was applied. In the case of DLH, where some funds were factored into the CIP, it will be important to have that quantified and why.

This task will be performed by Decomm.

### *Recommend a Rates & Charges Methodology Which Best Supports the Airport's Interest While Remaining Competitive and Supportive to the Airlines*

The work plan for evaluating rates and charges methodologies begins with preparing financial projections for different rate making scenarios. This should include alternatives for charging joint use space and Landline to determine the impact on each airline/Landline and the corresponding impact on the CPE by airline as well different means to charge for space. These projections quantify the sensitivity for each airline and Landline of certain alternative to arrive at the most balanced approach. This will be particularly important since the airlines will want to maximize the "committed" amount of discretionary revenue to write down rates and charges during negotiations versus having the application of surplus non-airline revenue applied at the discretion of DAA. Since any "committed" allocation of non-airline represents a definitive commitment, the Authority needs to understand the risk associated if non-airline revenue is not collected as projected.

Once the inputs are validated and financial projections are updated, allocations of revenues and expenses by cost center and various rate methodologies will be analyzed and presented to DAA



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senior management for review and discussion. Decomm will make a recommendation which best supports the airport's interests based on industry experience, specifically the perspective of how the airlines will most likely respond. Only alternatives that have been agreed to by the airlines serving, or likely to serve, DLH, will be considered to ensure that negotiations will not reach an impasse point based on policies. This decision will involve balancing the ULCC airline model versus the legacy model. Ultimately, the adopted model needs to ensure that there are not barriers to entry being created through the model and the lease that will prohibit the Authority from pursuing new airlines or put the Authority at risk of losing existing airlines because of the lease and rates and charges. For DLH, this will also need to factor in the current Landline program and potential variations of that. Once defined, the Signatory versus Non-Signatory designations will be discussed.

Decomm will lead this effort and contribute 90% of the analysis and DAC will support in the strategic discussion.

### *Conduct a Strategic Discussion with Senior Management to Outline the Various Options That Have Been Considered in Trying to Arrive at a Balance Between Legacy and Ultra Low-Cost Airlines as Well as Passenger Ground Shuttle Operations*

Decomm and BAC have as much, if not the most, experience in the industry as any consulting practice trying to find a middle ground for this challenge and have been at the forefront of this issue since we have historically provided services to a large number of small airports where there is a mix of legacy and ULCC service. Part of the strategic analysis in this process needs to be a candid discussion of the issues associated with each element of the model; how either type of airline will be impacted financially; and outline a thorough understanding of the individual airline financial implications to prepare for the dialogue with the airlines. The review will also need to include discussion on what are the alternatives if one category of carrier's objects to agreeing to the lease terms.

The situation in DLH is also impacted by the Landline operation and how that fits into the financial and competitive picture. With the relationship with Sun Country and the success Sun Country has experienced in DLH, it is imperative that the strategic discussion factors in the impacts of the Landline operation. This discussion should also address the alternative where Landline transports secured passengers and how that fits into the model and lease from a financial and operational perspective.

Decomm can use "lessons learned" experiences to the discussion on the strategic approach from having dealt with these issues first-hand since the expansion of ULCC service. There is no "one size fits all" approach. One of the key challenges in presenting the strategy is to ensure that there is sufficient supporting information and talking points to steer the discussion away from confrontation. Creating a competitive airline business environment is the goal with a focus on eliminating disruptors to achieving that balance.

Decomm will lead this effort and provide approximately 80% of the effort and BAC will provide support on the strategic discussion and provide approximately 20% of the effort.





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### *Discuss the Impacts on Each Type of Carrier to Arrive at a Model That Can Be Executed with an Analysis by Airline for Each Alternative to be Considered*

With the information outlined above that will be developed during the strategic analysis portion of the task, the detailed analysis by airline will be available for the discussion. It is also recommended that this strategic discussion also be extended to analyze potential new airlines that could enter the market to ensure that barriers to entry do not exist that could eliminate a potential airline. It should also include the discussion on how/if Landline factors into the equation.

By completing this macro assessment, the Authority will have a true assessment of its risk. Coupled with the potential market assessment, the Authority will be able to clearly assess airline risk and the impact on the Strategic Plan.

Decomm will complete this task.

### *Develop a Rate Schedule and CPE Analysis for Each*

The final comprehensive model will be developed for the selected alternatives and available for further analysis during the strategic phase and refined and developed into the package that will be presented to the airlines. All modeling will be done in an Excel format and will become property of the Authority as part of the task. Rate calculation tabs and a CPE tab will be included in the model.

Decomm will complete this task.

### *Review and Update the Airline Incentive Package to be Included as an Exhibit to the Airline Use and Lease Agreement.*

The FAA had recently published revised guidelines for incentives and subsidies for industry review. The comment period has expired and both AAIE and ACI provided detailed responses. It is expected the other interested parties provided opinions as well. It is expected that FAA would issue its final position during the time the negotiations are occurring. Upon issuance, BAC will review and update the existing DLH ASIP and provide guidance on the allowable provisions.

One issue related to incorporating the policy into the lease agreement is that if the FAA changes the policy during the term of the lease, DAA would need to obtain approval from Signatory Airlines for an amendment to change the policy. Depending which class of carriers might be impacted, the amendment process could restrict DAA from implementing FAA policy changes that might benefit DAA.

The more standard approach is to refer to the current FAA guidelines by reference in the agreement and have a caveat "as may be amended from time to time". The discussion on this approach can be included in the initial strategic workshop.

BAC will be lead on this task and complete approximately 80% of the work and Decomm will provide support as it relates to the lease and provide approximately 20% of the effort.

### *Review and Update Current FAA Required Provisions to be Included as an Exhibit to the Airline Use and Lease Agreement*

As part of any airline lease negotiation, we review the contract related FAA requirements focusing on such areas as ACDBE requirements, Affirmative Action language, security, and



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safety provisions to include requirements from both the FAA and Department of Homeland Security. The review will also include a validation of all references to FAA regulations referenced in the base document. Historically, ACDBE language has been included as an Article in the lease. With some of the more recent interactions airport clients have had with the FAA, it is recommended that this be expanded on and included as an Exhibit in the agreement to ensure that all applicable compliance requirements are clearly outlined. The approach will be reviewed during the strategic review process to determine the most appropriate approach.

BAC will lead this task and contribute approximately 60% of the effort and Decomm will contribute 40%.

*Participate in Airline Negotiation Meetings in Order to Create the Final Airline Use and Lease Agreement, Draft the Use and Lease Agreement Upon the Selection of the Model by the Authority, Revise Lease Agreement Resulting From the Negotiations With the Airlines With an Update to the Model and Analysis Done In the Selection Phase, and Conduct Follow Up Negotiations and Discuss Remaining Issues With Airlines.*

Decomm will have primary responsibility for being the primary contact point for the lease negotiations and for the drafting of the initial Agreement, the model, and the subsequent changes in both following discussion with the airlines, Airport legal, and Airport management. The most effective method has been to use the existing Agreement as the baseline and redline accordingly. This eliminates unnecessary discussion with airlines on less critical boilerplate elements because the airlines are less likely to probe if they had been contained in the previous Agreement. This is not to suggest that any lease provisions be bypassed; rather it is intended to keep the focus of the negotiation on the substantive items that are key to the business deal. Part of the process will be to coordinate in the drafting with Airport legal, particularly in the areas of insurance, indemnification, and compliance with the City Charter and Legislative Code to ensure that DAA positions are being incorporated into the document.

After the redline is prepared, there should be a work session with the airport team to go through each section and validate against the Strategic Plan and the adopted rates and charges model. This will serve as the last vetting of the draft before distribution to the airlines with appropriate changes made to comply with the strategic approach. Typically, airlines will challenge insurance and indemnification provisions. Decomm has found it most effective to have those discussions occur directly between airport legal and the airline's attorneys since legal will be the ultimate decision maker on proposed changes.

The draft should be distributed to the airlines for review by airport affairs/corporate real estate representatives approximately 30-45 days before the initial on-site airline negotiation session. It is not recommended that the model be distributed internally by the airlines at that time so that the initial airline review is focused on business terms and not the numbers. The model should be presented at the initial on-site negotiation session and explained so that there is a context and serves as an incentive for them to participate in the on-site negotiation session. Following that meeting, the model can be distributed to the airlines in PDF format. They will likely request an excel version but distribution of the model in Excel is not recommended so that they cannot manipulate the numbers/formulas and present alternative models to the airport, it will be





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recommended that the airlines not proceed with internal review until we incorporate any changes from the initial negotiation session.

Following the initial meeting, airport management and the consultant team will meet via conference call and go through the recommended changes resulting from the meeting and discuss the approach to be taken for each. A revised draft of the agreement and model will be developed and distributed internally for review and feedback. Upon agreement by the airport team, the second iteration of the agreement and model will be distributed. A second negotiation session will be conducted either via conference call or on-site depending on the significance of the issues. Because of time constraints by the airlines, it is usually easier to get a conference call scheduled for the follow up meeting(s). Following the second negotiation session, it will be recommended that the airlines distribute the draft agreement internally for comment by their respective departments.

Typically, the internal review by airline departments will take approximately 4-6 weeks. Once the comments are received and reviewed, a meeting will be scheduled with the airport team to review and discuss internally. Any resulting changes will be incorporated into a third iteration which will be distributed prior to a third meeting/call with the airlines. The third meeting would also include a review of the model and any associated changes.

Following the revisions resulting from the third meeting, a “final review copy” will be prepared to include all exhibits and distributed. Typically, three reviews for an airport the size of DLH is sufficient.

Once the final review copies are distributed, the airlines will develop their internal approval package for sign off by their respective departments. It is not unusual for additional comments to be received once their finance team engages in the discussion. It is usually presented that “finance will not sign it unless you...”. A strategic discussion will need to take place at that point on whether the changes are warranted.

### *Prepare the Final Lease Document for Legal Review and Execution to Meet Requirements of Legal Counsel and Senior Management*

If additional comments are received, incorporate the comments acceptable to DAA management into the final execution copies of the agreement and distribute the execution copies for each airline and Landline, if applicable. Request that the execution copies be returned ASAP. It should be noted that depending on the airline, it could take 4-6 weeks for this to be completed by the airline.

### **Timeline**

In the RFQ, a timeline of 6-7 months is proposed. The internal process for the development and review of the model and the draft agreement is under the control of DAA and the successful consultant. What could impact the timeline is the time that is under the control of airlines with regard to negotiations, meetings, and airline internal review. In the initial strategic discussion, the timeline needs to be addressed if airline responses are not timely enough to meet the proposed timeframe. It is recommended that a comprehensive schedule be developed at the initial negotiation session to set expectations on the overall process and timeframe.

### **Recent Tasks at Comparable Airports**

Airline leases tend to run in cycles. A few were in progress at the commencement of the



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pandemic. Once the airlines responded to the impacts of the pandemic by dramatically reducing service, negotiations for expired or expiring leases ceased and airports generally froze rates and charges and/or used pandemic grants (CARES, CRSSA, and ARPA) to offset the gap between revenues and expenses. Airports were more focused on not negatively impacting the airlines financially through the use of the grants versus increasing airline rates and charges.

In 2022, as some airports started returning to some level of historical activity, some of the airports with suspended negotiations convinced the airlines to return to the table to commence negotiations. Therefore, there are not many completed negotiations to reference in the timeframe included in the RFQ.

Outlined below are the three airports where similar negotiations have been conducted. McAllen and Nashville have been completed; however, because of the delays related to the pandemic as outlined above, the Amarillo negotiations are still in progress.

### 1. *McAllen International Airport (MFE) - McAllen, TX*

In 2019, after a period of internal analysis and the development of a new cost center-based cost recovery model, John DeCoster, lead negotiator assisted in the strategic and legal areas by Dan Benzon, began the airline negotiations at the McAllen International Airport (MFE). Negotiations had commenced in a similar fashion to what is proposed for DLH. The parties were down to the last few issues when the pandemic hit in early 2020 and negotiations were suspended. Negotiations reconvened in winter 2021-2022 and we completed in second quarter 2022. MFE incorporated many of the approaches that have been proposed for DLH. Because the lease had not been updated since 2009 and included fixed rates not model based, a new model had to be developed and a strategic course determined for the negotiations to follow. Rates had also not been changed since 2009, so the airlines were going to experience a significant increase in rates as a result of the cost recovery-based model calculating the rates. The steps outlined in this proposal were enacted which resulted in a successful completion to the negotiations.

Client: McAllen International Airport

Reference: Elizabeth Suarez, Director of Aviation

Phone: (956) 681-1525

E-mail: [esuarez@mcallen.net](mailto:esuarez@mcallen.net)

A letter of recommendation is attached.

### 2. *Nashville International Airport (BNA) - Nashville, TN*

In 2018, Dan Benzon began assisting the Metropolitan Nashville Airport Authority (MNA) in the review of its existing signatory airline use and lease agreement to develop key performance goals and strategic objectives while undertaking its multi-billion-dollar capital program, known as "BNA Vision". The consultant provided strategic support to MNA in evaluating key financial metrics that would impact the upcoming airline business deal.





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In 2021, Dan Benzon developed lease and business strategies, in concert with MNAA's leadership team, to renegotiate the terminal methodology, revenue share formula, and certain key terms and conditions in the agreement.

Throughout 2022 and early 2023, the consultant provided lease negotiation strategies, financial analysis, and advocacy to support MNAA as it incorporated its capital program into its business deal structure with the airlines. Dan Benzon has managed the lease negotiation process through lease drafting, memorandum of understanding, and lease negotiations. The MNAA Board approved the lease April 19, 2023.

Reference: Marge Basrai, CFO

Phone: (615) 275-1772

E-Mail: [Marge.Basrai@flynashville.com](mailto:Marge.Basrai@flynashville.com)

A letter of recommendation is attached.

### 3. *Rick Husband Amarillo International Airport (AMA) - Amarillo, TX*

In 2022, based upon feedback by the airlines that they were ready to begin negotiations for a new airline lease. Dan Benzon was retained by the City of Amarillo to revise the airport's financial model to a terminal commercial compensatory and airfield residual methodology. In addition, Dan Benzon has made substantial updates to the airport's business and legal terms and conditions in its airport use and lease agreement. Negotiations with the airlines kicked off in March 2023 with an overview of the financial model changes and the draft lease agreement for internal routing. Those negotiations are ongoing. A similar process to what has been proposed for DLH was initiated with the strategic review and internal vetting prior to the recent engagement with the airlines.

Reference: Mike Conner, Director of Aviation

Phone: (806) 354-7721

E-mail: [Mike.Conner@amarillo.gov](mailto:Mike.Conner@amarillo.gov)

### **Program Manager**

John DeCoster, President, Decomm Aviation Consulting, will be the Project Manager for this assignment and will be the point of contact for DAA. John is based in Minnesota and has sufficient capacity to complete this assignment as outlined. It is estimated that Decomm Aviation Consulting will perform approximately 80% of the work associated with this assignment.

Decomm Aviation Consulting will be supported by Dan Benzon, President, Benzon Aviation Consulting. Although based in Texas, Dan will be available on-site, if requested, and will be readily available to attend meetings via conference call. Benzon Aviation Consulting will be performing approximately 20% of the work associated with this task and has sufficient capacity to complete the tasks associated with this assignment.



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It should be noted that although two separate consulting practices are proposed, the consultants have worked closely together since 2007 at Trillion Aviation and Landrum & Brown prior starting their individual practices and the spilt of responsibilities is consistent with how they have worked with the small airport segment during that time.

Resumes are attached.

### **Standard Set of Terms and Conditions**

Attached please find a template for a Master Services Agreement and Task Order similar to what has been proposed for other assignments in DLH in the past. Decomm Aviation will be the signatory to the Agreement and will subcontract with Benzon Aviation Consulting. Decomm is willing to use this form, as may be amended, or to use a form to be supplied by DAA.

### **Statement of Supply the Required Products and Services**

As the Project Manager, Decomm Aviation Consulting has the capacity and expertise to fulfill the scope of services required to successfully complete the tasks outlined in this proposal. All the services proposed will be performed by John DeCoster of Decomm Aviation Consulting and Dan Benzon of Benzon Aviation Consulting. Both consultants have sufficient capacity to perform the services in the timeline identified, contingent upon an immediate commencement upon notice to proceed and timely responses by the airlines.

### **Statement of Life**

Decomm Aviation Consultants, serving as Project Manager, commits that the representations made in this response will remain in effect for eighteen (18) months from the date of submission. Although it is not anticipated that the lease negotiation would require that amount of time, there have been instances where airlines not being responsive in a timely manner resulting in an extended period of time being required. We do not anticipate that will be the case for DLH.

### **Authorized Signature**

As President and owner of Decomm Aviation Consulting, John DeCoster is authorized to make the commitments represented in this response to the Request for Qualifications: Airport Consulting Service for the Development of an Airport Airline Use and Lease Agreement- Solicitation 23-4406.

\_\_\_\_\_  
John DeCoster, President

\_\_\_\_\_  
Date





April 28, 2023

Re: MFE Letter of Recommendation

To Whom It May Concern:

McAllen International Airport worked successfully with Mr. John DeCoster and Mr. Dan Benzon during their time with Trillion Aviation and Landrum & Brown to update an airline lease that was dated, expired and included a fixed rental rate that had been in place for several years. They were tasked with developing a financial model and negotiating a new airline lease that incorporated current industry best practices.

The task commenced in 2019 and we were at the final stages of agreement when the pandemic hit, consequentially uniformly shutting down all further airline lease negotiations. After reconvening in early 2022, we were able to successfully complete the negotiations that resulted in a cost center based, cost recovery model and corresponding airline lease.

Mr. DeCoster and Mr. Benzon's insight and leadership in the negotiation process were invaluable as they were able to debate the points with the airlines and successfully resolve the issues to the satisfaction of the airlines, while keeping the airport's best interests a priority.

Mr. DeCoster was the lead negotiator and received support from Dan Benzon on strategic issues and developing lease language that was included in the agreement. The team was coordinated, and each person professionally completed their roles in the negotiation.

The McAllen International Airport appreciates their professional business approach with intimate knowledge of the airline perspective in these negotiations. The experience from the team allowed for us to successfully convince the airlines of the business model approaches accepted in other airports. McAllen International Airport offers the high recommendation of teaming up with Mr. DeCoster and Mr. Benzon for strategizing and carrying out airline lease negotiations.

Sincerely,

A handwritten signature in blue ink, appearing to read "Elizabeth Suarez", is written over a light blue circular stamp.

Elizabeth Suarez  
Director of Aviation

140 BNA Park Drive, Suite 520  
Nashville, Tennessee 37214  
615-275-1600  
flynashville.com



April 27, 2023

Dan Benzon  
President  
Benzon Aviation Consulting (BAC)  
Dan.Benzon@benzongroup.com

Re: BNA-Reference Letter

To Whom it May Concern:

As the Chief Financial Officer of the Metropolitan Nashville Airport Authority (MNA), I was tasked with delivering a new Signatory Airline Use and Lease Agreement. A key leader on my team was Dan Benzon of BAC. Mr. Benzon was instrumental in representing the best interests of MNA; developing creative strategic business solutions; assisting outside legal counsel with the modification of terms and conditions; engaging the airlines during the negotiations; and delivering the strategic goals set by me, the CEO, and the Authority Board of Commissioners.

Therefore, I highly recommend Dan Benzon to assist your airport in its future airline agreement development and deliberations.

Sincerely,

A handwritten signature in blue ink that reads "Marge Basrai".

Marge Basrai, CPA, CGMA, C.M.  
Executive Vice President and Chief Financial Officer  
Metropolitan Nashville Airport Authority



### **John DeCoster**

### **Decomm Aviation Consulting**

### **President**

### **Education**

Master of Business Administration, University of St. Thomas, 1982

Bachelor of Science, Sociology, Kansas State University, 1973

### **Year Started in Industry**

1995

### **Overview**

John has 28 years of aviation industry experience in the airline affairs, corporate real estate, including 12 years with Northwest Airlines and 16 years with Trillion Aviation, Landrum & Brown, and Decomm Aviation Consulting.

John has a focused specialization in all business services areas assisting airport management in developing business strategies to operate the airport as a business utilizing tools such as airline and non-airline leases utilizing industry "best practices" concept; on-airport aeronautical and non-aeronautical development and revenues; FBO alternative assessments, program development, and implementation; parking management alternatives and analyses and management systems and contracts; food, beverage, and retail programs; development of third party development RFPs; and air service development. These strategies have included size airports with a focus on non-hub and small hub sized airports in the U.S. Specifically, these airports seek guidance on airline decision making processes, best practices and benchmarking from their similarly situated airports, and business plan related opportunities to grow revenues and to manage capital and operational costs

John has developed programs in the areas of food, beverage, and retail concessions, FBO lease and development alternatives, rental car negotiations and the implementation of CFC programs to reimburse Airports for investments and operating costs, parking management programs, and commercial vehicle programs. Each of these programs is customized to meet the needs of the particular Airport to best match the opportunity with the Airport's risk profile.

### **Experience**

#### **Williston Basin International Airport, Business Strategy, Williston, ND**

Developed the airline lease terms and the rates/business model for a new airport as well as FBO, rental car, parking, and concession agreements.

#### **McAllen International Airport, Airline Lease and Financial Rates & Charges Model, Non-Aeronautical Development, and FBO Lease Negotiations, Food, Beverage, and Retail RFPs, McAllen, TX**

Led the development of a cost recovery rates & charges model and the commensurate lease for the airlines. Serves as owner's representative in the negotiation and development of non-aeronautical facilities and non-airline revenue contracts at the airport.

#### **Duluth International Airport, Business Services, Duluth, MN**

Directed the business services department on behalf of the airport for airline rates and charges and lease negotiations, rental car RFP, revamping of the parking program and rate structure, negotiation of third-party leases, and food & beverage RFP development.

#### **Bemidji Regional Airport Business Services**

Support staff in all aspects of business including lease negotiations, third-party development, non-airline revenue generation, rental car contracts, and FBO negotiations.

#### **Minot International Airport, Business Services, Minot, ND**

Led the development of the cost recovery model for the new terminal project and associated non-airline revenue opportunities. Developed RFPs for all non-aeronautical contracts.



## Business & Finance - Consulting

- Bemidji Regional Airport
- Corpus Christi International Airport
- Duluth International Airport
- MBS International Airport
- Minot International Airport
- Moline Quad City International Airport
- Rick Husband Amarillo International Airport
- Williston Basin International Airport
- Springfield-Branson National Airport
- Syracuse Hancock International Airport
- McAllen International Airport
- Destin-Ft. Walton Beach Airport
- Dallas Ft. Worth International Airport
- Rogue Valley International-Medford Airport
- Eugene Airport
- Orlando-Melbourne International Airport
- Chicago Midway Airport
- West Virginia International Yeager Airport
- Appleton International Airport
- California Redwood Coast-Humboldt County
- Rocky Mountain Metropolitan Airport
- Rochester International Airport
- Thief River Falls Regional Airport
- Roanoke-Blacksburg Regional Airport
- Hector International Airport (Fargo)





## Dan Benzon, President

### **Benzon Aviation Consulting (BAC) – Austin, Texas**

*President (September 2022 – Present)*

- Founder and President of an aviation business strategy consultancy representing U.S. commercial non-hub, small hub, medium hub, and large hub airports.
- Airport consulting includes strategy, development, and negotiation of airport agreements with airlines, rental cars, fixed based operators, and concessionaires.

### **Landrum & Brown (L&B) – Austin, Texas (Cincinnati, Ohio headquarters)**

*Executive Vice President (August 2018 – September 2022)*

- Practice group leader for a global aviation airport planning and consulting firm.

Leader of the Business & Finance practice group responsible for the company's consulting disciplines including, airport business strategies, financial services and planning, air cargo and related facilities, and air service advisory and airline forecasting. Consulting focus has been assisting airport leaders with strategies to manage their airports as a business by utilizing tools such as leases, on-airport development, non-airline revenues, and alternative business models. Specifically, these airports seek guidance on internal and external decision-making processes, program management implementation, industry best practices and benchmarking relative to their peer airports.

Executive leadership roles:

- Board of Directors, Three-year term 2019-2021.
- Global Operations Committee Chair, 2019-2022.
- Executive Management Team, 2019-2022.
- Service Line Leader (Business & Finance, Commercial Development), 2018-2022
- Global Infrastructure Market Facing Team, 2019-2021
- Texas Strategy Team, 2019-2022
- Aviation Market Sector Team Client Leader, 2021-2022

Advised over 100 U.S. commercial airports. Some key airport clients and representative assignment examples:

ADS	AMA	ATL	AUS	AVL	BNA	BWI	CMH	CRP	CRW	DFW	ELP	GRR	GSP	IND
MBS	MDW	MEM	MFE	MRY	ORD	ORF	PHL	ROA	SEA	SGF	SJC	SYR	VPS	XWA

**Austin-Bergstrom International Airport (AUS), Master Plan Update, Austin, TX**

Served as the officer in charge for the most recent AUS master plan update completion. The master plan airport layout plan was reviewed by two regional offices and accepted without substantive comment. The airport adopted the recommendations and proceeded to the next steps for implementation.

**Dallas-Ft. Worth International Airport (DFW), CONRAC Lease and Concession Agreement Strategies, Dallas-Ft. Worth, TX**

Analyzed the current concession and lease, bus funding and facility agreements and created strategies to implement for maximum revenue generation, cost efficiencies and proper negotiations positioning. These strategies are incorporated into both the financial and capital planning aspects of short and long-term opportunities at the airport.

**Destin-Fort Walton Beach International Airport (VPS), Rental Car Concession Agreement, Destin, FL**

Lead strategist, drafter and negotiator on a new rental car concession agreement for VPS. Suggested issuing an RFP and bid process that resulted in significantly favorable terms and conditions for VPS. This financial success rectified prior airport subsidization of fees and charges as well as provided the ability for the airport to refund debt on its QTA facility.

**Indianapolis International Airport (IND), Airline Agreement and Use of Premises with Financial Rates & Charges Model, Indianapolis, IN**

Served as the lead negotiator and strategist on a new agreement and use of premises with the airlines serving the airport. The team developed a revised airline rate making methodology and modified the terms and conditions of the business deal. The Authority received an additional 50% in compensation from the airlines and protected the Authority's full downside risk.

**West Virginia International Yeager Airport (CRW), Agreements and Strategic Advisory, Charleston, WV**

Led negotiations on airline lease and rental car concession agreements. Supported airport staff on food and beverage RFP, financial feasibility analysis and land use development initiatives. Continued service as a strategic advisor to the airport senior team on terminal development and funding source options.

**Trillion Aviation – Austin, Texas**

*President (September 2006 – July 2018)*

- Founder and President of a multi-pillared aviation business and financial solutions consulting firm. Formed company, developed business plan, hired talented personnel, grew strong client base, and secured a strong industry reputation.
- Initially served a diverse client base consisting of airlines, airports, third party developers, and service / product providers. Airline consulting consisted of extension of staff and portfolio representation. Airport consulting included strategic business advisory and agreement development / negotiation. Third party development provided airport sector industry specific expertise on airport opportunities. Service / product provider efforts linked creative service offerings and product opportunities with relevant airports.
- Grew service disciplines for Trillion's business offerings, starting with forecasting / air service development in 2011, capital project owner's representation in 2013, and financial services in 2014.
- Served over 40 airport and third-party clients throughout the U.S. by 2018.
- Acquired by Landrum & Brown in July 2018, as part of L&B's pursuit to reconstitute the John F. Brown aspect of its global business. L&B's planning services (Landrum) was a natural complement to Trillion's business and finance services (Brown). This acquisition provided both companies with a broader service offering and an expansion of airport client networks.

**Industry**

- Co-authored ACRP Report 19A: Resource Guide to Airport Performance Indicators
- Speaker on topics such as regulation of airport finances, emerging ground handling models, airport–airline lease agreement negotiations, airport non–airline revenue development, financial capacity analysis and airport cost savings best practices at conferences including:

AAAE Airport Law Workshop	AAAE Great Lakes	AAAE South Central	ACI Small Airports
AAAE Ground Handling Initiatives Workshop	AAAE CIP Planning and Finance	AAAE Annual Conference and Exposition	

## MASTER SERVICES AGREEMENT

THIS MASTER SERVICES AGREEMENT BETWEEN CONSULTANT AND CLIENT (hereinafter referred to as the "Agreement") is entered into by and between Decomm Aviation Consulting ("Consultant") having a place of business at 1118 Station Trail, Eagan, MN 55123 and \_\_\_\_\_ ("Client"), having a place of business at \_\_\_\_\_ and has an Effective Date based upon the full execution of this Agreement. Consultant and Client are each individually referred to as a "Party" and collectively as the "Parties".

**In consideration of the mutual promises or covenants contained in this Agreement, the Parties agree as follows:**

- A. **Services:** This Agreement establishes the terms and conditions under which Consultant agrees to provide services to Client on specific projects related to concession strategies and support services (hereinafter referred to as the "Project").

For each project, Client and Consultant will enter into a mutually agreed upon Task Order, executed by both parties, which will be appended hereto (each a "Task Order") in numerical order based on the date of commencement of the services of that Task Order. Each Task Order will describe the services to be performed ("Services"), pricing, commencement date of the project and estimated performance period all of which shall be negotiated independently for each Task Order. The results and proceeds performed under this agreement will be summarized as Deliverables (the "Deliverables"). In the event of a conflict in terms between this Agreement and any Task Order, the Agreement shall control.

- B. **Term, Termination and Survival:** Unless otherwise terminated as herein provided, the term of this Agreement shall commence on the Effective Date and shall continue through December 31, 2023. In the event this Agreement is not terminated thirty (30) days prior to December 31, 2023 pursuant to the terms hereof, this Agreement shall automatically renew and extend for an additional successive one (1) year term (January 1 through December 31) unless otherwise terminated as herein provided. Notwithstanding the foregoing, the Services shall be performed within the term specified in the relevant Task Order. Any terms of this Agreement which by their nature extend beyond termination of this Agreement shall survive and bind the parties and their successors and assigns.
- C. This Agreement is subject to the Terms and Conditions contained below, and the provisions of the exhibits attached hereto and made a part hereof:

**Exhibit A: Proposal Dated** \_\_\_\_\_

**Exhibit B: Task Order**



## TERMS AND CONDITIONS

Client and Consultant agree that the following provisions shall be part of this Agreement:

1. **Assignment.** This Agreement shall not be assigned by either Client or Consultant without the prior written consent of the other. Neither Client nor Consultant shall assign claims arising from the Agreement without the prior written consent of the other.
2. **Non-Waiver.** Consultant's or Client's waiver of any term, condition or covenant shall not constitute the waiver of any other term, condition or covenant. Consultant's or Client's waiver of any breach of this Agreement shall not constitute the waiver of any other breach of the Agreement.
3. **Unenforceable Terms; Effect.** If any term, condition or covenant of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall be valid and binding on both the Client and Consultant.
4. **Confidentiality.** Both parties shall adhere to the obligations and requirements of the state's open records as may be applicable and the confidentiality provisions set forth hereafter are subject to those requirements. Consultant agrees to regard and preserve as confidential all information related to the business and activities of Client that may be obtained by Consultant as a result of performing Services under this Agreement. Client agrees to regard and preserve as confidential all information related to the business and activities of Consultant that may be obtained by Client as a result of this Agreement and the performance of Services contemplated hereby, including, without limitation, all information regarding pricing of Services. Both parties agree to hold such information in trust and confidence for the other party and not to disclose such information to any person, firm, or enterprise, or use any such information to its own benefit, or to the benefit of any third party, unless authorized in writing by the party in interest. Information shall not be considered confidential to the extent that such information is: (i) already known free of any restriction at the time it is obtained; (ii) subsequently learned from an independent third party free of any restriction; or (iii) generally available to the public.
5. **Intellectual Property.** In the course of performance under this Agreement, Consultant may use products, materials, tools, and methodologies that are proprietary to Consultant or to third parties (collectively, "Proprietary Items"). Client will not have or obtain any rights in such Proprietary Items other than (i) to use them as authorized by Consultant in writing from time to time solely for purposes of performing its responsibilities under this Agreement. If Proprietary Items are made available to the Client, they will be made available "AS IS" and without express or implied warranties of any kind. Nothing in this Agreement will preclude Consultant from marketing, developing, or using for itself or others, services or products that are the same as or similar to those provided to Client by Consultant pursuant to this Agreement. Furthermore, Consultant will continue to be free to use its general knowledge, skills, and experience and any ideas, concepts, know-how, and techniques related to the scope of this Agreement and used in the course of performing its obligations hereunder.
6. **Limited License.** Client agrees not to use or permit any other person to use plans, specifications, drawings, cost estimates, reports or other documents (hereafter "work product") prepared by Consultant which are not final and/or not signed by Consultant. Client further agrees that final plans, specifications, drawings, cost estimates, reports or other documents are for the exclusive use of Client and may be used by Client only for the Project described on page 1 of this Agreement and/or project specified in appended Task Order and such use is subject to the terms and conditions of this Agreement. Such final plans, specifications, drawings, cost estimates, reports or other documents may not be changed or used on a different project without written authorization or approval by Consultant.
7. **Scope of Services:** Client acknowledges that Consultant will be providing services specified in individual Task Orders. The Parties acknowledge and agree that work items not expressly listed in a Task Order are excluded from Consultant's Services. These "Excluded Services" include, without intent to limit, construction, engineering, design related skill or service, legal advice, as well as any other item not expressly listed in an executed Task Order
8. **Not a Municipal Advisor.** Consultant is not registered with the U.S. Securities & Exchange Commission as a municipal advisor, is not acting as a municipal advisor, and does not assume any fiduciary duties or provide advisory services as described in Section 15B of the Securities Exchange Act of 1934 or otherwise.



Consultant does not make recommendations or advice regarding any action to be taken by our clients with respect to any prospective, new, or existing municipal financial products or issuance of municipal securities including with respect to the structure, timing, terms or other similar matters concerning municipal financial products or the issuance of municipal securities.

9. **Payment Terms**. Client agrees to pay Consultant for Services rendered under any Task Order pursuant to the pricing information contained in such Task Order. In addition to Consultant's fees for Services, Client agrees to reimburse Consultant for all actual expenses incurred in the course of providing Services to Client including, but not limited to, travel and ordinary business expenses. Travel expenses will be reimbursed separately at cost and without markup. On hourly assignments, fees for travel time will be billed at one-half of the hourly rate. On hourly assignments, fees charged during travel assignments will have a minimum fee of one-half day at the hourly rate.

Consultant will bill Client on a monthly basis unless agreed otherwise in a Task Order. Client shall make payment to Consultant within thirty (30) days of the date of Consultant's invoice. It is agreed that late payments will be subject to an interest charge of one (1) percent per month. Payment shall be made to the address set forth in such invoice.

10. **Revisions Required by Authority Having Jurisdiction**. If Consultant, pursuant to this Agreement, produces plans, specifications, or other documents and/or performs field services, and such plans, specifications, or other documents and/or field services are required by any governmental agency, and such governmental agency changes its ordinances, codes, policies, procedures or requirements after the date of this Agreement, any additional services thereby required shall be paid for by Client as Additional Services.
11. **Additional Services (Variations)**. Client agrees that if Client requests services not specified in the scope of services for a Task Order, Client will authorize and execute an amended or new Task Order for all such additional services requested. Amended Task Orders shall specify all changes or additions. Any new or Amended Task Order must be executed by both parties prior to commencement of the additional services. The Consultant is not obligated to perform additional services without an executed Task Order specific to the change.
12. **Delays**. Consultant is not responsible for delay caused by activities or factors beyond Consultant's reasonable control, including but not limited to, force majeure, accidents or equipment malfunctions, acts of God, failure of Client to furnish timely information or approve/disapprove of Consultant's services or instruments of service promptly, faulty performance by Client or other third parties. When such delays are beyond Consultant's reasonable control occur, Client agrees Consultant shall not be responsible for damages nor shall Consultant be deemed to be in default of this Agreement.
13. **Indemnification**. The parties shall indemnify, defend and hold harmless one another from and against any and all suits, proceedings at law or in equity, claims, liabilities, costs, payments, and expenses (including reasonable attorney fees) asserted against or incurred by such indemnitee, arising out of or in connection with any claim by any party with respect to the indemnifying party's negligence in the performance of this Agreement; provided, however, the indemnifying party shall have no obligation to indemnify, defend or hold harmless the indemnitee for the indemnitee's willful misconduct or gross negligence in the performance of this Agreement.
14. **Limitation of Liability**. Client agrees to limit the liability of Consultant, its principals, employees and subconsultants, to Client for actual damages to an amount equal to the amounts paid by Client to Consultant under the relevant Task Order under which the claim or claims arose. This limitation will apply regardless of the form of action, whether in contract or in tort, including negligence. In no event will either party be liable for any lost revenues, lost profits, incidental damages, consequential damages, or other economic damages, even if advised of the possibility of such damages. In addition, except to the extent a specific obligation of indemnification is provided under this Agreement, neither party will be liable for any damages claimed by the other based on any third-party claims.
15. **Disclaimer of Individual Professional Liability**. To the fullest extent permitted by applicable law, Consultant's individual professional employees and officers shall not be liable for negligence, and any claims arising in relation to the Services provided under this Agreement shall be brought against Consultant and not its individual professional employees.
16. **Contractors**. Client acknowledges that Consultant is not responsible for the performance of work by third parties including, but not limited to, a construction contractor and its subcontractors.

17. **No Warranty.** Consultant makes no warranty, either express or implied, as to its findings, recommendations, plans, specifications, or professional advice except that the services were performed pursuant to generally accepted standards of professional practice in effect at the time of performance.
18. **Venue.** Client agrees that in the event Consultant institutes litigation to enforce or interpret the provisions of this Agreement, such litigation is to be brought and adjudicated in the appropriate court in the county in which Consultant's principal place of business is located, or where the Project is located, and Client waives the right to bring, try or remove such litigation to any other state, county, territory or judicial district.
19. **Notice.** All notices which are required or may be given pursuant to this Agreement must be in writing and sent to the individual listed below or his successor at the address above first written. Notices shall be delivered by a recognized courier service such as Federal Express, USPS or UPS, with package tracing capability.
20. **Mediation.** The Parties agree that all disputes between them arising out of or relating to this Agreement shall be submitted to mediation, unless the parties mutually agree otherwise.
21. **Integration and Merger.** This Agreement contains the entire and integrated agreement between Client and Consultant relating to the Project and the provision of services for the project. Any prior agreements, promises, proposals, negotiations or representations not expressly set forth in this Agreement are of no force or effect. Subsequent modifications to this Agreement shall be in writing and signed by the Parties.

**WHEREAS, the parties hereto entered into this Agreement as of the Effective Date.**

**Decomm Ventures LP (DBA Decomm Aviation Consulting)**

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

Name: John DeCoster

Title: President

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

\_\_\_\_\_

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

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

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

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

## TASK ORDER

This Task Order No. \_\_\_ between Decomm Ventures, LP (DBA Decomm Aviation Consulting) ("Consultant") and \_\_\_\_\_ ("Client") is governed by the Professional Services Agreement ("MSA") in effect between the parties and, upon execution of this Task Order by both parties, is incorporated therein pursuant to MSA Section A "Services". All terms and conditions of the MSA shall apply to this Task Order unless clearly stated to the contrary herein.

<b><u>CONTACT INFORMATION</u></b>	
DECOMM AVIATION CONSULTING (CONSULTANT)	John DeCoster
_____ (CLIENT)	_____

<b><u>TITLE</u></b>	<b><u>DESCRIPTION</u></b>
SERVICES TO BE PERFORMED:	Decomm Aviation to provide the services included in the attached _____
PRICING:	Fee: _____ Expenses: Travel-related expenses (e.g., airfare, hotel, meals, parking) will be reimbursed separately at cost without mark-up.
COMMENCEMENT DATE:	_____
DURATION:	_____

The parties hereto accepted and approved this Task Order as of the latest date written below and this Task Order may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Any signature delivered electronically shall be treated for all purposes as an original.

**DECOMM VENTURES, LP (DBA DECOMM  
AVIATION CONSULTING**

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

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

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

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

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

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

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

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

**EXHIBIT B**

**TASK ORDER**

This Task Order No.1 between Decomm Ventures, LP (DBA Decomm Aviation Consulting) (“Consultant”) and the Duluth Airport Authority (“Client”) is governed by the Professional Services Agreement (“MSA”) in effect between the parties and, upon execution of this Task Order by both parties, is incorporated therein pursuant to MSA Section A “Services”. All terms and conditions of the MSA shall apply to this Task Order unless clearly stated to the contrary herein.

<b><u>CONTACT INFORMATION</u></b>	
DECOMM AVIATION CONSULTING (CONSULTANT)	
DULUTH AIRPORT AUTHORITY (CLIENT)	Jana Kayser, C.M., Director of Business Development

<b><u>TITLE</u></b>	<b><u>DESCRIPTION</u></b>
SERVICES TO BE PERFORMED:	Decomm Aviation to provide the services included in the Proposal dated May 4, 2023 and attached as Exhibit A.
PRICING AND PAYMENT:	Fee: A professional services budget of \$50,400 to be paid based on a time and materials basis. Invoices and documentation will be monthly. Payment is due within thirty (30) calendar days upon receipt of invoice.  Expenses: Travel-related expenses (e.g., airfare, gas, hotel, meals, parking) will be reimbursed separately at cost without mark-up.
COMMENCEMENT DATE:	June 20, 2023
DURATION:	Twelve months from completion date

The parties hereto accepted and approved this Task Order as of the latest date written below and this Task Order may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. Any signature delivered electronically shall be treated for all purposes as an original.

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

**DECOMM VENTURES, LP (DBA  
DECOMM AVIATION)**

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

**Name:** \_\_\_\_\_

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

**DULUTH AIRPORT AUTHORITY**

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

**President**

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

**Secretary**



# VII - L

## Duluth Airport Authority DAA Board Packet Budget vs. Actual Summary From Jan 2023 to Apr 2023

### UNAUDITED

Financial Row	Prior Year Actual (Jan 2022 - Apr 2022)	Current Year Actual (Jan 2023 - Apr 2023)	Budget Amount (Jan 2023 - Apr 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	746,268	1,125,674	930,207	121.01%	379,406	195,467	2,950,799
Non-Passenger Aeronautical Revenue	481,057	581,740	512,564	113.50%	100,682	69,175	1,643,775
Passenger Airline Aeronautical Revenue	404,012	432,911	436,055	99.28%	28,899	(3,144)	1,321,416
<b>Total - Income</b>	<b>1,631,338</b>	<b>2,140,325</b>	<b>1,878,826</b>	<b>113.92%</b>	<b>508,987</b>	<b>261,499</b>	<b>5,915,990</b>
<b>Gross Profit</b>	<b>1,631,338</b>	<b>2,140,325</b>	<b>1,878,826</b>	<b>113.92%</b>	<b>508,987</b>	<b>261,499</b>	<b>5,915,990</b>
<b>Expense</b>							
Miscellaneous Expenses	16,475	33,887	26,022	130.23%	17,412	7,866	71,436
Personnel Compensation & Benefits	796,697	882,161	916,581	96.24%	85,463	(34,420)	2,909,323
Services and Charges	724,359	713,207	792,516	89.99%	(11,152)	(79,309)	2,266,993
Supplies	194,004	346,656	351,044	98.75%	152,652	(4,388)	768,676
<b>Total - Expense</b>	<b>1,731,536</b>	<b>1,975,910</b>	<b>2,086,162</b>	<b>94.72%</b>	<b>244,375</b>	<b>(110,252)</b>	<b>6,016,427</b>
<b>Net Ordinary Income</b>	<b>(100,198)</b>	<b>164,414</b>	<b>(207,337)</b>	<b>-79.30%</b>	<b>264,613</b>	<b>371,751</b>	<b>(100,437)</b>
<b>Other Income and Expenses</b>							
Other Income	329,768	2,706,563	183,767	1,472.82%	2,376,795	2,522,796	496,209
Other Expense	53,478	47,321	73,988	63.96%	(6,157)	(26,667)	221,964
<b>Net Other Income</b>	<b>276,290</b>	<b>2,659,242</b>	<b>109,779</b>	<b>2,422.36%</b>	<b>2,382,952</b>	<b>2,549,463</b>	<b>274,245</b>
<b>Net Income Exclusive of Project Expenses, Depreciation &amp; Amortization</b>	<b>176,092</b>	<b>2,823,656</b>	<b>(97,558)</b>	<b>-2,894.34%</b>	<b>2,647,565</b>	<b>2,921,214</b>	<b>173,808</b>
Projects/Grants	(824,374)	(1,718,752)	5,979,823	-28.74%	(894,379)	(7,698,576)	17,939,470
Depreciation & Amortization	(3,577,236)	0	(3,327,646)	0.00%	3,577,236	3,327,646	(10,007,639)
<b>Net Income</b>	<b>(4,225,518)</b>	<b>1,104,904</b>	<b>2,554,620</b>	<b>43.25%</b>	<b>5,330,422</b>	<b>(1,449,716)</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 \$2.9M. COVID Relief Funds of \$2.4M are mainly responsible for this positive variance.
- **Operating Revenue:** Non-Aeronautical Revenue is \$195k over budget overall due to increased parking revenues of \$118k and car rental concessions of \$26k. Non-passenger aeronautical revenue is 69k over budget due to increased concessions, rent, and airshow event income. Passenger Airline Aeronautical revenue is 3k under budget. Operating Revenues are \$261k over budget overall.
- **Operating Expenses:** All expense categories are currently under budget. Personnel Compensation and Benefits are \$34k under budget. Supplies are 4k under budget. Services and charges are 79k under budget. Operating expenses are only \$110 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 \$109k due to our increased cash balance. PFCs came in over budget by \$13k.
- **Non-Operating Expenses:** Non-Operating Expenses are down over \$26k, 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 6/13/23:**
  - Minimum Cash Balance Goal: \$2,437,853
  - Current Balance: \$8,823,274 (does not include grants receivable)
  - Days Cash on Hand: 651 days currently vs 180 day benchmark (471 days over goal)

**Duluth Airport Authority**  
**Balance Sheet**  
**End of Apr 2023**

Financial Row	Amount
<b>ASSETS</b>	
Current Assets	
Bank	\$9,418,102.63
Accounts Receivable	
Accounts Receivable - Restricted PFC	\$87,334.75
Accounts Receivable Billed	\$476,999.93
Accrued Receivable	\$22,029.61
Grants Receivable	\$173,160.40
ST Lease Receivable	\$77,794.05
Total Accounts Receivable	\$837,318.74
Other Current Asset	\$389,777.26
Total Current Assets	\$10,645,198.63
Fixed Assets	
Accumulated Depreciation	(\$152,234,067.04)
Capital Assets	\$265,194,140.48
Work in Progress	\$2,801,752.92
Total Fixed Assets	\$115,761,826.36
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
LT Lease Receivable	\$2,252,032.75
Total Other Assets	\$6,539,859.62
Total ASSETS	\$132,946,884.61
<b>Liabilities &amp; Equity</b>	
Current Liabilities	
Accounts Payable	
Accounts Payable	\$252,482.47
Contracts Payable	\$505.00
Credit Cards Payable	\$1,045.91
Lottery Payable	\$5,960.05
Total Accounts Payable	\$259,993.43
Credit Card	\$1,883.51
Other Current Liability	
Accrued Expense	(\$6,100.00)
Accrued Interest	\$47,321.24
Accrued Sales Taxes Payable - All	\$14,182.00
Accrued Vacation	\$126,146.44
Deferred Inflows - Lease Asset	\$2,300,124.37
Deferred Inflows - OPEB Liabilities	\$76,820.00
Deferred Inflows - Pension	\$23,745.00
Loans Payable to City of Duluth	\$930,000.00
Unearned Revenue - Current	\$181,474.74
Unearned Revenue - Non Current	\$113,473.14
Total Other Current Liability	\$3,807,186.93
Total Current Liabilities	\$4,069,063.87
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	\$119,614,369.29
Total Liabilities & Equity	\$132,946,884.61

**Duluth Airport Authority**  
**Income Statement**  
**From Jan 2023 to Apr 2023**

Financial Row	Amount
Ordinary Income/Expense	
Income	
Non-Aeronautical Revenue	
Advertising Income	\$4,800.00
Concession Revenue	
ATM	\$92.50
Car Rental Concession	\$154,850.70
Food & Beverage Concession	\$29,799.06
Lottery Concessions	\$398.87
Parking	\$144,216.03
Per Departure Fee	\$1,085.00
Per Passenger Fee	\$12,969.00
Services/Other	\$200.00
TNC Per Trip Fee	\$3,279.00
Vending	\$2,400.84
Total - Concession Revenue	\$349,291.00
Customer Facility Charges	\$64,968.00
Miscellaneous Revenues	\$34,744.95
Parking	\$477,005.98
Permits	\$5,143.51
Plowing Services	\$2,022.96
Reimbursed Expenses	\$36,774.35
Rent	\$93,379.85
Sponsorship Income	\$35,000.00
State Aid	\$22,543.63
Total - Non-Aeronautical Revenue	\$1,125,674.23
Non-Passenger Aeronautical Revenue	
Aviation Gas	\$8,557.56
Concession Revenue	\$51,078.62
Event Income	\$35,720.00
Landing Fees	\$11,793.54
Ramp Fees	\$8,495.48
Rent	\$429,521.04
Security Reimbursement	\$33,703.33
Tie Downs	\$2,870.00
Total - Non-Passenger Aeronautical Revenue	\$581,739.57
Passenger Airline Aeronautical Revenue	
Landing Fees	\$95,925.74
Per Use Fee	\$2,958.25
Terminal Office/Space Rental	\$334,026.98
Total - Passenger Airline Aeronautical Revenue	\$432,910.97
<b>Total - Income</b>	<b>\$2,140,324.77</b>
Gross Profit	\$2,140,324.77
Expense	
Miscellaneous Expenses	\$33,887.36
Personnel Compensation & Benefits	
Benefit Administration Fees	\$153.00
Employer Contributions for Retirement	\$78,486.42
Employer Paid Insurance	\$150,944.26
Retiree Benefits	\$47,013.15
Wages & Salaries	\$605,563.78
Total - Personnel Compensation & Benefits	\$882,160.61
Services and Charges	
Advertising	\$582.00
Central Services Fee	\$24,400.00
Communications & Technology	\$66,473.27

<b>Financial Row</b>	<b>Amount</b>
Employee Development Services	\$23,310.16
Employee Physicals	\$353.00
Marketing	\$55,794.54
Professional Services	\$128,888.08
Rentals	\$1,407.52
Repairs and Maintenance - Contractual/Services	\$159,127.12
Sponsorship Expenses	\$4,650.00
Transportation	\$52.53
Utility Services	\$248,168.35
<b>Total - Services and Charges</b>	<b>\$713,206.57</b>
Supplies	
Merchandise for Resale	\$9,075.40
Office Supplies	\$5,209.00
Operating Supplies	
Cleaning & Janitorial	\$7,441.88
Customer Service	\$898.09
Lubricants & Additives	\$9,564.03
Meeting Supplies	\$1,186.52
Motor Fuels	\$105,715.06
PPE Reimbursement	\$422.95
Safety & Environmental	\$131.03
Signs	\$7,523.66
Wildlife Control	\$1,507.24
<b>Total - Operating Supplies</b>	<b>\$134,390.46</b>
Repairs & Maintenance Supplies	
Airfield	\$64,042.80
Building	\$16,574.45
Fencing & Gates	\$2,682.09
Fuel System	\$691.70
Grounds & Landscaping	\$5,448.80
Heavy Equipment	\$77,984.09
Heavy Equipment Accessories	\$16,310.73
Jet Bridge	\$4,196.27
Light Equipment	\$6,097.19
Sand/Deicer	\$39.16
Shop Supplies	\$2,636.77
Small Tools	\$1,277.03
<b>Total - Repairs &amp; Maintenance Supplies</b>	<b>\$197,981.08</b>
<b>Total - Supplies</b>	<b>\$346,655.94</b>
<b>Total - Expense</b>	<b>\$1,975,910.48</b>
Net Ordinary Income	\$164,414.29
Other Income and Expenses	
Other Income	
Capital Contributions	
Grants	\$681,568.81
<b>Total - Capital Contributions</b>	<b>\$681,568.81</b>
Non-Operating Revenue	
Interest Income	\$121,993.69
Passenger Facility Charges	\$184,248.50
<b>Total - Non-Operating Revenue</b>	<b>\$306,242.19</b>
<b>Total - Other Income</b>	<b>\$987,811.00</b>
Other Expense	
Non-Operating Expense	
Interest Expense	\$47,321.24
<b>Total - Non-Operating Expense</b>	<b>\$47,321.24</b>
<b>Total - Other Expense</b>	<b>\$47,321.24</b>
<b>Net Other Income</b>	<b>\$940,489.76</b>
<b>Net Income</b>	<b>\$1,104,904.05</b>



**Duluth Airport Authority  
Duluth A/R Aging Report  
As of June 14, 2023**

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

CUSTOMER	TRANSACTION TYPE	TRANSACTION DATE	TRANSACTION NUMBER	DUE DATE	AGE	CURRENT	5/15/2023 - 6/13/2023	4/15/2023 - 5/14/2023	3/16/2023 - 4/14/2023	BEFORE 3/16/2023	TOTAL
						Open Balance	(30) Open Balance	(60) Open Balance	(90) Open Balance	(>90) Open Balance	Open Balance
<b>Azbell, Austin</b>						\$0.00	\$153.00	\$0.00	\$153.00	\$0.00	\$306.00
Bellamy Bill	Invoice	6/5/2023	11500	7/5/2023	9	\$0.00	\$301.55	\$0.00	\$0.00	\$0.00	\$301.55
<b>BKR</b>						\$0.00	\$225.00	\$225.00	\$225.00	\$225.00	\$900.00
<b>Investments DBA Duluth Pack</b>											
Brenholdt, Jacob	Invoice	6/1/2023	11437	7/1/2023	13	\$0.00	\$51.00	\$0.00	\$0.00	\$0.00	\$51.00
Churchill, Sean	Invoice	6/1/2023	11465	7/1/2023	13	\$0.00	\$206.56	\$0.00	\$0.00	\$0.00	\$206.56
<b>Cirrus Design Corporation</b>						\$0.00	\$24,322.04	(\$42.36)	\$0.00	\$6,501.91	\$30,781.59
City of Duluth	Invoice	6/1/2023	11447	7/1/2023	13	\$0.00	\$1,718.78	\$0.00	\$0.00	\$0.00	\$1,718.78
<b>Civil Air Patrol</b>						\$0.00	\$0.00	\$799.96	\$0.00	\$938.13	\$1,738.09
Compudyne, LLC dba Integris	Invoice	6/1/2023	11448	7/1/2023	13	\$0.00	\$34.52	\$0.00	\$0.00	\$0.00	\$34.52
Dahlstrom, Heidi	Payment	5/18/2023	9974	5/18/2023	27	\$0.00	(\$153.00)	\$0.00	\$0.00	\$0.00	(\$153.00)
<b>Dal Santo, Frances M</b>						\$0.00	\$206.56	\$206.56	\$206.56	\$0.00	\$619.68
<b>Delta Airlines</b>						\$0.00	\$120,089.29	\$42,597.43	\$0.00	\$0.00	\$162,686.72
DeSutter, Peter	Invoice	6/1/2023	11436	7/1/2023	13	\$0.00	\$51.00	\$0.00	\$0.00	\$0.00	\$51.00
<b>Divine Carriers</b>						\$0.00	\$139.27	\$139.27	\$139.27	\$0.00	\$417.81
Duluth Hangar, LLC	Invoice	6/1/2023	11450	7/1/2023	13	\$0.00	\$869.48	\$0.00	\$0.00	\$0.00	\$869.48
Dunker, Christopher L	Invoice	3/17/2022	9478	4/16/2022	454	\$0.00	\$0.00	\$0.00	\$0.00	\$9,478.20	\$9,478.20
Ellefson, Nicholas	Invoice	6/1/2023	11459	7/1/2023	13	\$0.00	\$206.56	\$0.00	\$0.00	\$0.00	\$206.56
<b>Enterprise Leasing Company</b>						\$0.00	(\$39,174.86)	\$0.00	\$0.00	\$0.00	(\$39,174.86)
Gardonio, Michael	Invoice	6/5/2023	11499	7/5/2023	9	\$0.00	\$115.52	\$0.00	\$0.00	\$0.00	\$115.52
General Services Administration	Invoice	6/1/2023	11442	7/1/2023	13	\$0.00	\$5,532.50	\$0.00	\$0.00	\$0.00	\$5,532.50
<b>Goritchan Boris</b>						\$0.00	\$0.00	\$0.00	\$0.00	\$1,779.00	\$1,779.00
Griffith Evans	Invoice	6/5/2023	11501	7/5/2023	9	\$0.00	\$90.00	\$0.00	\$0.00	\$0.00	\$90.00
Hagberg, Rick	Invoice	6/1/2023	11461	7/1/2023	13	\$0.00	\$206.56	\$0.00	\$0.00	\$0.00	\$206.56
Hall John	Invoice	6/1/2023	11423	7/1/2023	13	\$0.00	\$315.47	\$0.00	\$0.00	\$0.00	\$315.47
Harris, Melissa	Invoice	5/26/2023	11407	6/25/2023	19	\$0.00	\$153.00	\$0.00	\$0.00	\$0.00	\$153.00
Hatfield, Dan	Invoice	6/1/2023	11458	7/1/2023	13	\$0.00	\$206.56	\$0.00	\$0.00	\$0.00	\$206.56
<b>Hermantown Hydraulics</b>						\$0.00	\$714.90	\$714.90	\$680.86	\$111.72	\$2,222.38
Hillman Colin	Invoice	6/1/2023	11470	7/1/2023	13	\$0.00	\$275.00	\$0.00	\$0.00	\$0.00	\$275.00
Hughes, Timothy	Payment	4/17/2023	9854	4/17/2023	58	\$0.00	\$0.00	(\$153.00)	\$0.00	\$0.00	(\$153.00)
HydroSolutions Of Duluth, Inc.	Invoice	6/1/2023	11424	7/1/2023	13	\$0.00	\$3,466.75	\$0.00	\$0.00	\$0.00	\$3,466.75
Irwin, Eric	Payment	1/18/2023	9529	1/18/2023	147	\$0.00	\$0.00	\$0.00	\$0.00	(\$150.00)	(\$150.00)
Jay Anne	Invoice	2/28/2023	11014	3/30/2023	106	\$0.00	\$0.00	\$0.00	\$0.00	\$102.00	\$102.00
Johnson, Josiah H	Invoice	6/1/2023	11434	7/1/2023	13	\$0.00	\$179.16	\$0.00	\$0.00	\$0.00	\$179.16
<b>Johnston, Paul</b>						\$0.00	\$206.56	\$7.21	\$7.21	\$12.73	\$233.71
<b>Kleen-Tech Services, LLC</b>						\$0.00	\$708.69	\$0.00	\$0.00	\$1,188.69	\$1,897.38
Krom, Justin	Invoice	5/26/2023	11408	6/25/2023	19	\$0.00	\$153.00	\$0.00	\$0.00	\$0.00	\$153.00
Kurtz, Timothy C	Invoice	5/23/2023	11394	6/22/2023	22	\$0.00	\$153.00	\$0.00	\$0.00	\$0.00	\$153.00

CUSTOMER	TRANSACTION TYPE	TRANSACTION DATE	TRANSACTION NUMBER	DUE DATE	AGE	CURRENT	5/15/2023 -	4/15/2023 -	3/16/2023 -	BEFORE	TOTAL
							6/13/2023 (30)	5/14/2023 (60)	4/14/2023 (90)	3/16/2023 (>90)	
						Open Balance	Open Balance	Open Balance	Open Balance	Open Balance	Open Balance
<b>Lake Superior Helicopters</b>						\$0.00	\$8,062.62	\$0.00	\$0.00	\$0.00	\$8,062.62
<b>Love Creamery</b>						\$0.00	\$30.00	\$0.00	\$0.00	(\$65.82)	(\$35.82)
Minnesota Air National Guard	Invoice	6/13/2023	11532	7/13/2023	1	\$0.00	\$1,771.23	\$0.00	\$0.00	\$0.00	\$1,771.23
<b>Minnesota Department of Transportation</b>						\$0.00	\$19,365.50	\$19,659.42	\$0.00	\$0.00	\$39,024.92
MN State Lottery	Invoice	6/1/2023	11473	7/1/2023	13	\$0.00	\$12,000.00	\$0.00	\$0.00	\$0.00	\$12,000.00
<b>Monaco Air Duluth</b>						\$0.00	\$6,604.19	\$305.00	\$0.00	\$0.00	\$6,909.19
Mountain Air Cargo	Invoice	6/1/2023	11430	7/1/2023	13	\$0.00	\$1,646.00	\$0.00	\$0.00	\$0.00	\$1,646.00
<b>Oakwells CR, LLC</b>						\$0.00	\$8,408.05	\$1,612.37	\$0.00	\$0.00	\$10,020.42
On Site Enterprises, Inc	Payment	3/17/2023	9757	3/17/2023	89	\$0.00	\$0.00	\$0.00	(\$2.00)	\$0.00	(\$2.00)
Opack Matthew Jr.	Invoice	6/1/2023	11467	7/1/2023	13	\$0.00	\$207.50	\$0.00	\$0.00	\$0.00	\$207.50
Palmer, John	Invoice	6/1/2023	11468	7/1/2023	13	\$0.00	\$207.50	\$0.00	\$0.00	\$0.00	\$207.50
<b>Parthe, Lance</b>						\$0.00	\$276.64	\$276.64	\$276.64	\$288.64	\$1,118.56
Payne, Robert	Invoice	6/1/2023	11452	7/1/2023	13	\$0.00	\$276.64	\$0.00	\$0.00	\$0.00	\$276.64
Rasier, LLC	Payment	6/12/2023	10086	6/12/2023	2	\$0.00	(\$726.00)	\$0.00	\$0.00	\$0.00	(\$726.00)
Rathbun, Lesley	Invoice	6/1/2023	11460	7/1/2023	13	\$0.00	\$206.56	\$0.00	\$0.00	\$0.00	\$206.56
Rehabilitation Counselors, Inc.	Payment	8/19/2019	5002	8/19/2019	1,395	\$0.00	\$0.00	\$0.00	\$0.00	(\$75.00)	(\$75.00)
RS&H	Invoice	6/1/2023	11451	7/1/2023	13	\$0.00	\$2,565.99	\$0.00	\$0.00	\$0.00	\$2,565.99
Safstrom Jon	Invoice	5/26/2023	11409	6/25/2023	19	\$0.00	\$153.00	\$0.00	\$0.00	\$0.00	\$153.00
Scenic Airrides	Invoice	6/5/2023	11497	7/5/2023	9	\$0.00	\$103.12	\$0.00	\$0.00	\$0.00	\$103.12
<b>Sinex, Barry</b>						\$0.00	\$90.00	\$90.00	\$180.00	\$450.00	\$810.00
Stevens, Mike	Invoice	6/1/2023	11463	7/1/2023	13	\$0.00	\$206.56	\$0.00	\$0.00	\$0.00	\$206.56
<b>Sun Country, Inc. dba Sun Country Airlines</b>						\$0.00	\$1,989.25	\$0.00	\$0.00	\$0.00	\$1,989.25
Sydow Dan	Invoice	6/1/2023	11455	7/1/2023	13	\$0.00	\$276.64	\$0.00	\$0.00	\$0.00	\$276.64
<b>The Landline Company</b>						\$0.00	\$5,910.20	\$0.00	\$0.00	\$0.00	\$5,910.20
<b>Transportation Security Administration</b>						\$0.00	\$8,886.19	\$8,528.67	\$17,095.33	\$8,079.33	\$42,589.52
<b>United Airlines</b>						\$0.00	\$87,846.33	\$0.00	\$0.00	\$0.00	\$87,846.33
United Parcel Service	Invoice	4/19/2023	11270	5/19/2023	56	\$0.00	\$0.00	\$260.00	\$0.00	\$0.00	\$260.00
Williams, Ron	Invoice	6/1/2023	11464	7/1/2023	13	\$0.00	\$206.56	\$0.00	\$0.00	\$0.00	\$206.56
<b>Total</b>						<b>\$0.00</b>	<b>\$288,293.69</b>	<b>\$75,227.07</b>	<b>\$18,961.87</b>	<b>\$28,864.53</b>	<b>\$411,347.16</b>



## Jana Kayser

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**From:** Yaroslavna Alvarez <yaroslavna.alvarez@landlineco.com>  
**Sent:** Tuesday, June 6, 2023 7:00 PM  
**To:** Jana Kayser  
**Cc:** Nicholas Johnson  
**Subject:** Mar-Apr-May 2023 stats

Good afternoon Jana,

Please see below, apologies for the delay, we will be more timely going forward.

	Mar 2023	April 2023	May 2023
Departing Rev Pax	1,110	1,090	786
Van Departures	49	26	28
Bus Departures	37	34	24
Total Departures	86	60	52

Thank you,  
Slava

## LANDLINE

Yaroslavna Alvarez | Director of Finance

[yaroslavna.alvarez@landlineco.com](mailto:yaroslavna.alvarez@landlineco.com) | [landline.com](http://landline.com)



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**From:** Jana Kayser <jkayser@duluthairport.com>  
**Sent:** Thursday, June 1, 2023 1:41 PM  
**To:** Yaroslavna Alvarez <yaroslavna.alvarez@landlineco.com>  
**Cc:** Nicholas Johnson <nicholas.johnson@landlineco.com>  
**Subject:** RE: April Stats

Sounds great Slava, thank you!

Jana M. Kayser, C.M.

Director of Business Development

Duluth Airport Authority

(218) 625-7775 – Direct



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**From:** Yaroslavna Alvarez <[yaroslavna.alvarez@landlineco.com](mailto:yaroslavna.alvarez@landlineco.com)>  
**Sent:** Thursday, June 1, 2023 2:35 PM