



# 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, January 20th, 2026 at 8:00 a.m.** in the Amatuzio Conference Room, Third Floor, in the Duluth International Airport Terminal Building, 4701 Grinden Drive, Duluth, MN 55811

Members of the public may monitor the meeting by clicking below to access the meeting by Microsoft Teams: "Microsoft Teams Meeting" (information below). Board members may participate in the meeting by interactive technology.

#### Join on your computer, mobile app or room device

[Click here to join the meeting](#)

Meeting ID: 249 336 734 244

Passcode: ihi3nk

[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**

## **DULUTH AIRPORT AUTHORITY MEETING AGENDA JANUARY 20, 2026**

### **AMATUZIO CONFERENCE ROOM DULUTH INTERNATIONAL AIRPORT**

#### **I. \*EXECUTIVE DIRECTOR'S REVIEW**

A. Information Letter to DAA Directors

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

A. Approval of December 16, 2025 Board Meeting Minutes

#### **III. \*DAA CASH DISBURSEMENTS**

A. Operating Check Register #30, 2025; Operating ACH Payment Register #33, 2025; Construction ACH Register #1, 2026.

#### **IV. \*CORRESPONDENCE**

- A. January 2, 2026. Letter to Mr. Peter J. Kirsch, Kaplan Kirsch LLP RE: Duluth Airport Authority Stormwater Fees. Duluth City Attorney's Office.
- B. January 6, 2026. Letter to DAA Board RE: General Aviation Facilities and Tenant Experience at Duluth International Airport. Matthew Deis, DLH GA Tenant.
- C. January 9, 2026. DLH Construction Newsletter.
- D. January 11, 2026. Allegiant and Sun Country Airlines to Combine, Creating a Leading, More Competitive Leisure-Focused U.S. Airline. Press Release. Allegiant Air/PRNewswire.

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

#### **VI. OLD BUSINESS**

None.

#### **VII. NEW BUSINESS**

- A. Resolution to Approve the 2026-2028 Collective Bargaining Agreement Between Local 66 AFSCME Minnesota Council 5 and the Duluth Airport Authority.
- B. Resolution Approving the Creation of a Duluth Airport Authority Task Force on Development and Planning.
- C. Resolution to Approve the United States of America Joint Use Agreement (AJUA) Between the Duluth Airport Authority and the Minnesota Air National Guard.



## **DULUTH AIRPORT AUTHORITY**

- D. Resolution to Approve Amendment 1 to Advertising Agreement Between the Duluth Airport Authority and Giants Ridge.
- E. Resolution to Approve the Duluth Airport Authority Commercial Vehicle Ordinance NO. 001.
- F. Resolution to Approve the Duluth Airport Authority Commercial Vehicle Policy.
- G. Resolution to the Updated 2026 Rates and Charges for DLH to Include Civil Penalties.
- H. \*November 2025 Financial Reports
- I. \*January 2026 Accounts Receivable
- J. \*December 2025 Airline Statistics, Landline Statistic

### **VIII. DIRECTOR'S REPORTS**

***Items annotated by an asterisk (\*) 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).***



**DATE: January 20, 2026**

**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.

**OPERATIONS/CONSTRUCTION/PLANNING**

- Planning:
  - Air Traffic Control Tower Replacement
- Construction:
- Operations and Maintenance:
- Sky Harbor

**BUSINESS/PROPERTY DEVELOPMENT**

- RFP Process Update
- LifeLink Hangar Construction Update

**FINANCIAL UPDATE**

- Stormwater Update
- Joint Powers Agreement – Paid Leave Update

**MARKETING/COMMUNICATIONS**

- Duluth & St. Louis County Days at the Capitol
- Commercial Vehicle Policy Update
- City Council Tour

**LEGISLATIVE UPDATE**

- ATCT Advocacy
- City Council Authorization to Accept Federal and State Grants

**PRESENTATIONS/TOURS/TRAVEL RECAP**

- NSR



**DULUTH AIRPORT AUTHORITY**

**OTHER**

- NSR

Submitted by,

Tom Werner, A.A.E.  
Executive Director



## DULUTH AIRPORT AUTHORITY

### Duluth Airport Authority

### Meeting Minutes

December 16, 2025

**MEETING LOCATION:** Amatuzio Conference Room, Duluth International Airport

**DIRECTORS PRESENT:** Michael Henderson, President  
Jason Crawford, Vice President  
Gary Black  
Sandy Hoff (arrived at 8:40 a.m.)  
Briana Johnson  
Kevin O'Brien

**DIRECTORS PRESENT VIA ELECTRONIC MEANS:** Elissa Hansen, Secretary (arrived at 8:02 a.m.)

**OTHERS PRESENT:** Tom Werner, DAA Executive Director  
Ryan Welch, DAA Dir. of Operations, Planning, and Construction  
Jana Kayser, DAA Dir. of Business Development  
Joelle Bodin, DAA Dir. of Finance and Administration  
Natalie Baker, DAA Dir. of Communications and Marketing  
Tristan Durfee, DAA Airside Manager  
Jenny Delnay, DAA Finance Technician  
Aimee Bone, DAA Administrative Coordinator  
Paul Sinnott, DAA  
Derek Anderson, DAA  
Barry Sinex  
Shawn McMahon, SEH  
Kaci Nowicki, SEH  
Rob Missinne, Vantage Aviation

**OTHERS PARTICIPATING VIA ELECTRONIC MEANS:**

Kathy Leon, DAA Senior Staff Accountant  
Horeya Czaplewski, EXP  
Nate Niemann, H&U  
Paul Huston, HNTB  
Eric Monson, Lake Superior Helicopters/Ascent Aviation

**CALL TO ORDER:** Dir. Henderson called the DAA board meeting to order at 8:00 a.m.

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

#### I. \*EXECUTIVE DIRECTOR'S REVIEW

- A. **Air Service:** Mr. Werner provided an update on the current air service with a presentation.
- Year-to-date enplanements are up 8%. Delta up 4%, and United down 33% compared to same month in 2024. November enplanements were down 11% compared to same month last year.



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- Load factors in the low 80% for both Delta and United. There were some weather events that impacted hubs such as ORD, and impacts of government shutdown that factored into the numbers.
- Delta capacity is up 7% compared to November 2024 and United down 21%. Year-to-date, Delta is up 15% and United is down 5%.
- Mr. Werner shared a new slide to display what United is proposing for the DLH market in terms of capacity in 2026 to 2025 side-by-side for Q1 2026. United proposes a massive seat increase for each month in Q1 2026 at this time. For example, February 2026 is projecting an 83% seat increase compared to February 2025.

### B. Operations/Construction/Planning: Mr. Welch provided the following updates:

- Planning:
  - New Air Traffic Control Tower (ATCT) Update:
    - Mr. Welch shared that plans continue to move forward on the ATCT. H&U is currently meeting with prospective bidders during the pre-qualification process, EXP is expected to issue the permit and bid documents on January 9<sup>th</sup>, and then H&U takes the documents and issues their bid packages on January 12<sup>th</sup> and opening with H&U by February 3<sup>rd</sup>. H&U then issues a GMP (Guaranteed Maximum Price) to the staff for board review on February 12<sup>th</sup> for a board vote on February 17<sup>th</sup>. Continuing to work with the FAA on the reimbursable agreement, and different methods of funding that have already been announced. The final ATP grant must be applied to by January 15<sup>th</sup>.
- Operations:
  - Mr. Welch shared that there have been a lot of staff changes over the past six months, most recently with Mr. Cole Venberg as the new manager of DYT. There is also a new airside team member starting soon to fill Mr. Venberg's vacancy in his previous role.

### C. Business/Property Development: Ms. Kayser provided an update on the following:

- Ms. Kayser shared an update on the RFI/RFP process and recapped that the RFI was published on September 2<sup>nd</sup>, closed on October 30<sup>th</sup>, and four responses were received. Ms. Kayser is pleased with the responses that were received, and they are being reviewed to help draft the next RFP and should be published the first week of January and open for a minimum of 30 days. The FAA will review the RFP first and then it'll be on the DLH website. Ms. Kayser has been communicating with tenants to ensure they are informed of the process.
- LifeLink III Project Update: Ms. Kayser shared hangar construction photo updates of the hangar shell being erected. All utilities have been completed and the project continues to move forward.
- Airline Agreement Update: The airlines are reviewing the agreement and will have the review completed and ready by end of 1<sup>st</sup> quarter and will backdate the agreement to January 1<sup>st</sup>. This agreement has been in the works for a number of years, as renewals were not being updated during the pandemic.

### D. Financial Update: Ms. Bodin provided an update on the following:

- Stormwater Update: Ms. Bodin shared that Kaplan and Kirsch was able to meet with the city and will be following up, hopefully more information at the next board meeting.
- The 2026 Annual Budget was approved on December 8<sup>th</sup> at the city council meeting.



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- Paid Leave: This will begin on January 1<sup>st</sup> and the DAA will be partnering with the City of Duluth to join the self-insured pool to be memorialized via joint powers agreement and expected to present to the board likely in January.
- The 2026-2028 Collective Bargaining Agreement: The agreement is in review and is anticipated to be at the January board meeting for approval.

**E. Marketing/Communications:** Ms. Baker shared the following updates:

- Marshall School is a new advertiser, Allele is renewing their contract, and Giants Ridge is renewing as well.
- Duluth and St. Louis County Days are coming up in St. Paul on March 18<sup>th</sup>-19<sup>th</sup>.
- There will be a new message playing throughout the terminal with Mayor Reinert will be welcoming passengers to the Duluth area, and is expected to be recorded in January.

**F. Legislative Update:** Mr. Werner provided an update on the following:

- Mr. Werner is in the process of securing meetings with several committee chairs to discuss capital investment asks for this session, keep the ATCT project front of mind for all, and the DAA continues to stay engaged with the regional delegation and in a good spot going into the session.

**G. Presentations/Tours/Travel Recap:**

- Mr. Werner shared a recap of recent FEMA 400-level course on emergency management that he took recently in the Twin Cities.

**H. Other:**

N/A

- Dir. Henderson thanked everyone for their reviews and moved to item II of the agenda.

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

**A. Approval of November 18, 2025, Meeting Minutes**

- Dir. Henderson entertained questions or a motion.
  - Motion: Dir. Crawford
  - Second: Dir. O'Brien
  - Abstain: None
  - Result: This resolution was adopted unanimously by roll call.

**III. \*DAA CASH DISBURSEMENTS**

- A. Operating Check Registers #27-29, 2025; Operating ACH Payment Registers #30-32, 2025; Construction ACH Register #14, 2025.**

**IV. \*CORRESPONDENCE**

- A. December 5, 2025. DLH Construction Newsletter.**
- B. November 17, 2025. Press Release from DAA RE: DAA Receives Over \$20 Million in Federal Grant Award for Air Traffic Control Tower Replacement.**



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- C. November 17, 2025. \$20 Million in Federal Funds Announced for Duluth Air Traffic Control Tower Replacement. WDIO.com.
- D. November 17, 2025. Duluth International Airport Receives \$20 Million in Federal Funding for a New Air Traffic Control Tower. NNN.
- E. November 17, 2025. Feds Pledge \$20 Million to Help Replace Aged Duluth Air Tower. DNT.
- F. November 18, 2025. Allegiant Air Coming to La Crosse. WIZM News.
- G. November 24, 2025. Letter to DYT Tenants Announcing Cole Venberg as New Sky Harbor Airport Manager.
- H. December 4, 2025: Minnesota Electric Aviation Network Study, Executive Summary August 2025. MnDOT. PDF.

### V. OPPORTUNITY FOR PERSONS TO BE HEARD

- Mr. Barry Sinex stated that he is here to confirm that he is still considering the minimum standards and wanted to know if there has been any movement on the issue.
  - Dir. Henderson shared that it'll be on the 2026 work plan. Mr. Sinex asked if it would be open to public comment and Mr. Werner confirmed yes.

### VI. OLD BUSINESS

None.

### VII. NEW BUSINESS

- A. Resolution to Approve the Duluth Airport Authority's Strategic Plan 2026-2030.
  - Mr. Werner shared that at the November board meeting, he gave a brief presentation about the strategic plan, and it was included in the board packet for this month's meeting for the board to consider.
  - Dir. Henderson entertained questions or a motion.
    - Motion: Dir. Johnson
    - Second: Dir. Black
    - Abstain: None.
    - Result: This resolution was adopted unanimously by roll call.
- B. Resolution to Approve the Duluth Airport Authority's Air Carrier Incentive Program 2026-2027 for the Duluth International Airport.
  - Mr. Werner shared that in 2024, he asked the board to approve a new air carrier incentive program that was consistent with changes to the FAA's Air Carrier Incentive Program guidance. The request was to formalize a program similar to what other airports around the country were doing, including a public-facing document with details about destinations and types of air carrier incentives. The document has been posted on the website, and the initial program was for two years and expires in December 2025 and this is a renewal of the program.
  - Dir. Henderson entertained questions or a motion.
    - Motion: Dir. Johnson
    - Second: Dir. O'Brien
    - Abstain: None.
    - Result: This resolution was adopted unanimously by roll call.
- C. Resolution to Approve Line of Credit Note Agreement between the City of Duluth and Duluth Airport Authority.



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- Ms. Bodin shared that this is the \$10 million line of credit from the City of Duluth that has been previously discussed. The purpose is to provide cashflow for construction projects, including the ATCT, and will assist with the cashflow while awaiting reimbursement from federal and state resources. Mr. Werner added that the DAA has traditionally only used the line of credit for cashflow purposes when there are large capital projects, such as the ATCT, taxiway renewal continues, as well as hangar construction. Documents indicate that the DAA is in a solid financial position.
- Dir. Henderson entertained questions or a motion. Ms. Bodin added that the DAA hasn't drawn on a line of credit since 2019, but it'll be an available option if needed during the large projects.
  - Motion: Dir. Black
  - Second: Dir. O'Brien
  - Abstain: None.
  - Result: This resolution was adopted unanimously by roll call.

### D. Resolution to Approve Payment in the Amount of \$142,600 to the City of Duluth for the 2026 Cost Allocation Fee.

- Ms. Bodin shared that the cost allocation fee includes services that the city provides such as HR benefits, payroll processing, legal, purchasing, and others as they arise. A review was completed in the prior year to ensure that the amount being charged is consistent with benefits receiving and the same process was completed this year.
  - Dir. Henderson confirmed that the numbers were in line with previous years, and Ms. Bodin stated that the increase of 7% increase from year to year is understood to be consistent with the city's cost increases.
- Dir. Henderson entertained questions or a motion.
  - Motion: Dir. Crawford
  - Second: Dir. Black
  - Abstain: None.
  - Result: This resolution was adopted unanimously by roll call.

### E. Resolution to Approve an Employee Incentive Award to Tristan Durfee, Paul Sinnott, and Derek Anderson.

- Mr. Welch shared that the staff members have kept the operations running smoothly during the time of staff changes, and other large events such as the Air Show and ongoing construction.
- Dir. Henderson entertained questions or a motion.
  - Motion: Dir. Crawford
  - Second: Dir. O'Brien
  - Abstain: None.
  - Result: This resolution was adopted unanimously by roll call.

### F. Award Contract Between the Duluth Airport Authority and Johnson Wilson Constructor for Hangar 103 Canopy.

- Mr. Welch shared that due to the slope and of the roof and its orientation, a large amount of snow accumulates on it and causes a potential safety hazard for entrance to the building. In a typical year, thousands of dollars and countless hours of labor were made in an effort to remove the snow and ice buildup over the doorway and solutions that haven't worked effectively. This is a design to eliminate the issue and ensure safety for individuals entering and exiting the building, and the door is the main entrance, and



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approximate cost of \$144,350 after competitive bidding was completed. Additionally, an emergency grant of \$70,000 was issued in 2025 to cover part of a \$100,000 deductible that was paid to repair damage that the roof sustained earlier in the year. Ms. Kayser reiterated that this is an important project to ensure safety for the LSC students and the process was planned in the most affordable way possible to maintain safety.

- Dir. O'Brien asked if the \$70,000 went towards the repairs already completed. Mr. Welch confirmed that the DOT grant funds helped with 70% of the \$100,000 deductible. Ms. Kayser added that it is important to repair the roof to mitigate snow and ice buildup for the safety of LSC students and the project was budgeted at the lowest cost possible .
  - Dir. Henderson entertained questions or a motion.
    - Motion: Dir. Black
    - Second: Dir. Johnson
    - Abstain: None.
    - Result: This resolution was adopted unanimously by roll call.
- G. The Meeting Will Now Close to the Public Pursuant to Minn. Stat. 13D.05 Subd.3 (a) to Evaluate the Performance of Executive Director, Tom Werner. The Meeting Will Reopen to the Public at the Time Announced Upon Completion of the Evaluation. Members of the Public Will Need to Log Out or Be Removed During the Closed Meeting and Will Need to Log Back into the Meeting When it Reopens to the Public.
- Dir. Henderson entertained questions or a motion.
    - Motion: Dir. Johnson
    - Second: Dir. Crawford
    - Abstain: None.
    - Result: This resolution was adopted unanimously by roll call.
      - The meeting was closed at 8:35 a.m.
- H. Regular Meeting Reopened to the Public Pursuant to Minnesota Statutes Chapter 13D.
- Dir. Henderson entertained questions or a motion.
    - Motion: Dir. O'Brien
    - Second: Dir. Hoff
    - Abstain: None.
    - Result: This resolution was adopted unanimously by roll call.
      - The Meeting was reopened to the public at 9:02 a.m.
- I. Summary of Year 2025 Performance Evaluation of Executive Director.
- Dir. Henderson shared that the board thanks Mr. Werner for a phenomenal job leading the DAA and also to the staff for excellent work.
- J. Resolution Authorizing an Annual Salary Compensation of \$192,055, Effective January 1, 2026, a Car Allowance of \$5,000, and a One-Time Incentive Payment of \$15,000 to Executive Director Thomas J. Werner Pursuant to Employment Contract.
- Dir. Henderson entertained questions or a motion.
    - Motion: Dir. Johnson
    - Second: Dir. Black
    - Abstain: None.
    - Result: This resolution was adopted unanimously by roll call.



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### K. Resolution to Approve Executive Director's 2026 Work Plan.

- Mr. Werner shared that the DAA has made efforts to remain consistent with the Strategic Plan adopted today and to capture what the first steps are for the upcoming five-year effort.
- Dir. Henderson entertained questions or a motion.
  - Motion: Dir. Crawford
  - Second: Dir. Hoff
  - Abstain: None.
  - Result: This resolution was adopted unanimously by roll call.

L. \*October 2025 Financial Reports

M. \*December 2025 Accounts Receivable

N. \*November 2025 Airline Statistics, Landline Statistic

## VIII. DIRECTOR'S REPORTS

**ADJOURN:** The meeting was adjourned at 9:08 a.m.

Respectfully submitted,

Aimee Bone  
Administrative Coordinator

Tom Werner

Digitally signed by  
Tom Werner  
Date: 2026.01.12  
13:28:17 -06'00'

Approved: \_\_\_\_\_

DAA Executive Director

III. Cash Disbursements

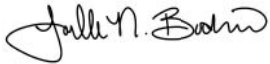
DAA Operating Check Register 30-2025  
December 23, 2025

Document Number From 12676 through 12686

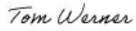
Document Number	Date	Transaction Type	Payee	Amount
12676	12/23/2025	BILLPMT	Baker, Natalie	\$60.00
12677	12/23/2025	BILLPMT	Bobcat Of Duluth, Inc.	\$1,989.79
12678	12/23/2025	BILLPMT	Cintas	\$198.19
12679	12/23/2025	CHK	Citi Cards	\$3,156.68
12680	12/23/2025	BILLPMT	City Of Duluth, Minnesota	\$142,300.00
12681	12/23/2025	BILLPMT	Graybar	\$78.16
12682	12/23/2025	BILLPMT	Lakes Gas	\$1,121.35
12683	12/23/2025	BILLPMT	Minnesota Petroleum Service	\$2,189.94
12684	12/23/2025	BILLPMT	NAPA Auto Parts	\$1,329.07
12685	12/23/2025	BILLPMT	Taylor, Dan	\$235.00
12686	12/23/2025	CHK	WF Bus Payment Processing - Tom	\$297.36
<b>Total</b>				<b>\$152,955.54</b>



Airport Director



Finance Director



Executive Director



Michael Henderson (Dec 22, 2025 21:33:01 CST)

Board President



Joy Bailey (Dec 22, 2025 14:30:38 CST)

City Treasury












# Operating Check Register 30-2025


Final Audit Report

2025-12-23


Created:	2025-12-22
By:	Kathy Leon (kleon@duluthairport.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAcTZRGkSeN4RMXpLjfQFqEL5QrlcoLCQI

## "Operating Check Register 30-2025" History

-  Document created by Kathy Leon (kleon@duluthairport.com)  
2025-12-22 - 8:29:13 PM GMT
-  Document emailed to Joelle Bodin (jbodin@duluthairport.com) for signature  
2025-12-22 - 8:29:17 PM GMT
-  Document emailed to Tom Werner (twerner@duluthairport.com) for signature  
2025-12-22 - 8:29:17 PM GMT
-  Document emailed to michael.henderson14@gmail.com for signature  
2025-12-22 - 8:29:17 PM GMT
-  Document emailed to Josh Bailey (jbailey@duluthmn.gov) for signature  
2025-12-22 - 8:29:17 PM GMT
-  Email viewed by Joelle Bodin (jbodin@duluthairport.com)  
2025-12-22 - 8:29:33 PM GMT
-  Email viewed by Josh Bailey (jbailey@duluthmn.gov)  
2025-12-22 - 8:30:25 PM GMT
-  Document e-signed by Josh Bailey (jbailey@duluthmn.gov)  
Signature Date: 2025-12-22 - 8:30:38 PM GMT - Time Source: server
-  Document e-signed by Joelle Bodin (jbodin@duluthairport.com)  
Signature Date: 2025-12-22 - 8:33:52 PM GMT - Time Source: server
-  Email viewed by Tom Werner (twerner@duluthairport.com)  
2025-12-22 - 8:37:57 PM GMT
-  Document e-signed by Tom Werner (twerner@duluthairport.com)  
Signature Date: 2025-12-22 - 8:38:16 PM GMT - Time Source: server

 Email viewed by michael.henderson14@gmail.com

2025-12-23 - 3:32:42 AM GMT

 Signer michael.henderson14@gmail.com entered name at signing as Michael Henderson

2025-12-23 - 3:32:59 AM GMT

 Document e-signed by Michael Henderson (michael.henderson14@gmail.com)

Signature Date: 2025-12-23 - 3:33:01 AM GMT - Time Source: server

 Agreement completed.

2025-12-23 - 3:33:01 AM GMT

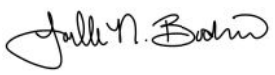
## DAA Operating ACH Payment Register 33-2025 December 23, 2025

### Confirmation #3560287

Document Number	Date	Transaction Type	Payee	Amount
00000206/1	12/23/2025	BILLPMT	1 Giant Voices LLC	\$13,312.00
00000206/10	12/23/2025	BILLPMT	Citon	\$8,064.48
00000206/11	12/23/2025	BILLPMT	Citon	\$1,060.00
00000206/12	12/23/2025	BILLPMT	Citon	\$4,498.19
00000206/13	12/23/2025	BILLPMT	Cossalter, Wade	\$10.08
00000206/14	12/23/2025	BILLPMT	DLT Solutions, LLC	\$520.62
00000206/15	12/23/2025	BILLPMT	DSC Communications	\$302.00
00000206/16	12/23/2025	BILLPMT	DSC Communications	\$485.00
00000206/17	12/23/2025	BILLPMT	Durfee, Tristan	\$60.00
00000206/18	12/23/2025	BILLPMT	General Security Services Corporation	\$27,070.00
00000206/19	12/23/2025	BILLPMT	Goodin Company	\$120.20
00000206/2	12/23/2025	BILLPMT	Baker, Natalie M	\$1,917.89
00000206/20	12/23/2025	BILLPMT	Grand Rapids Area Chamber of Commerce	\$846.00
00000206/21	12/23/2025	BILLPMT	Graves, John	\$60.00
00000206/22	12/23/2025	BILLPMT	Guardian Pest Solutions	\$80.00
00000206/23	12/23/2025	BILLPMT	Guardian Pest Solutions	\$55.00
00000206/24	12/23/2025	BILLPMT	Guardian Pest Solutions	\$80.00
00000206/25	12/23/2025	BILLPMT	Imperial Dade	\$55.70
00000206/26	12/23/2025	BILLPMT	Imperial Dade	\$211.89
00000206/27	12/23/2025	BILLPMT	Inter City Oil (ICO)	\$21,134.55
00000206/28	12/23/2025	BILLPMT	Ironwood Studio LLC	\$500.00
00000206/29	12/23/2025	BILLPMT	Jamar Company	\$13,525.38
00000206/3	12/23/2025	BILLPMT	Benson Electric Company	\$2,214.53
00000206/30	12/23/2025	BILLPMT	Jamar Company	\$6,702.24
00000206/31	12/23/2025	BILLPMT	Johnson Controls	\$1,210.10
00000206/32	12/23/2025	BILLPMT	Kaplan Kirsch	\$936.00
00000206/33	12/23/2025	BILLPMT	Kayser, Jana	\$60.00
00000206/34	12/23/2025	BILLPMT	Kraemer Construction, Inc.	\$70.00
00000206/35	12/23/2025	BILLPMT	Leon, Kathy	\$60.00
00000206/36	12/23/2025	BILLPMT	Lumacurve Airfield Signs	\$736.75
00000206/37	12/23/2025	BILLPMT	Menards - Hermantown	\$18.96
00000206/38	12/23/2025	BILLPMT	Menards - Hermantown	\$41.96
00000206/39	12/23/2025	BILLPMT	Menards - Hermantown	\$173.60
00000206/4	12/23/2025	BILLPMT	Bodin, Joelle	\$60.00
00000206/40	12/23/2025	BILLPMT	Menards - Hermantown	\$16.98
00000206/41	12/23/2025	BILLPMT	Metro Sales, Inc.	\$284.62
00000206/42	12/23/2025	BILLPMT	New Pig Corporation	\$469.54
00000206/43	12/23/2025	BILLPMT	Northern Engine & Supply	\$71.00
00000206/44	12/23/2025	BILLPMT	Northern Engine & Supply	\$15.24
00000206/45	12/23/2025	BILLPMT	Northern Engine & Supply	\$48.71
00000206/46	12/23/2025	BILLPMT	Oakwells CR LLC	\$160.48
00000206/47	12/23/2025	BILLPMT	Oberon3, Inc.	\$126.00
00000206/48	12/23/2025	BILLPMT	Schindler Elevator Corp	\$1,504.37
00000206/49	12/23/2025	BILLPMT	Sinnott, Paul	\$60.00
00000206/5	12/23/2025	BILLPMT	Border States	\$36.56
00000206/50	12/23/2025	BILLPMT	Skur, David G	\$224.99
00000206/51	12/23/2025	BILLPMT	Snell, Matthew J	\$60.00
00000206/52	12/23/2025	BILLPMT	Snell, Matthew J	\$106.00


00000206/53	12/23/2025	BILLPMT	Spectrum Enterprise	\$201.56
00000206/54	12/23/2025	BILLPMT	Sunny Communications, LLC	\$2,253.67
00000206/55	12/23/2025	BILLPMT	Twin Ports Paper Supply, Inc	\$1,032.50
00000206/56	12/23/2025	BILLPMT	Waste Management of WI-MN	\$322.11
00000206/57	12/23/2025	BILLPMT	Waste Management of WI-MN	\$106.18
00000206/58	12/23/2025	BILLPMT	Waste Management of WI-MN	\$342.24
00000206/59	12/23/2025	BILLPMT	Waste Management of WI-MN	\$1,911.50
00000206/6	12/23/2025	BILLPMT	Citon	\$870.80
00000206/60	12/23/2025	BILLPMT	Welch, Ryan	\$60.00
00000206/61	12/23/2025	BILLPMT	Werner, Thomas	\$60.00
00000206/62	12/23/2025	BILLPMT	Ziegler, Inc.	\$5,084.62
00000206/63	12/23/2025	BILLPMT	Ziegler, Inc.	\$333.90
00000206/7	12/23/2025	BILLPMT	Citon	\$838.60
00000206/8	12/23/2025	BILLPMT	Citon	\$8,055.12
00000206/9	12/23/2025	BILLPMT	Citon	\$1,060.00
<b>Total</b>				<b><u>\$131,970.41</u></b>

  
 Airport Director

  
 Finance Director

*Tom Werner*  
 Executive Director

Michael Henderson  
Michael Henderson (Dec 22, 2025 21:32:34 CST)  
 Board President

  
John Bailey (Dec 22, 2025 14:32:39 CST)  
 City Treasury












# Operating ACH Payment Register 33-2025


Final Audit Report

2025-12-23


Created:	2025-12-22
By:	Kathy Leon (kleon@duluthairport.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAABI17B2NG8_ckSy07owgbOfV5X-24tLan

## "Operating ACH Payment Register 33-2025" History

-  Document created by Kathy Leon (kleon@duluthairport.com)  
2025-12-22 - 8:25:13 PM GMT
-  Document emailed to Joelle Bodin (jbodin@duluthairport.com) for signature  
2025-12-22 - 8:25:18 PM GMT
-  Document emailed to Tom Werner (twerner@duluthairport.com) for signature  
2025-12-22 - 8:25:18 PM GMT
-  Document emailed to michael.henderson14@gmail.com for signature  
2025-12-22 - 8:25:18 PM GMT
-  Document emailed to Josh Bailey (jbailey@duluthmn.gov) for signature  
2025-12-22 - 8:25:18 PM GMT
-  Email viewed by Josh Bailey (jbailey@duluthmn.gov)  
2025-12-22 - 8:25:38 PM GMT
-  Email viewed by Joelle Bodin (jbodin@duluthairport.com)  
2025-12-22 - 8:26:23 PM GMT
-  Document e-signed by Joelle Bodin (jbodin@duluthairport.com)  
Signature Date: 2025-12-22 - 8:27:27 PM GMT - Time Source: server
-  Document e-signed by Josh Bailey (jbailey@duluthmn.gov)  
Signature Date: 2025-12-22 - 8:32:39 PM GMT - Time Source: server
-  Email viewed by Tom Werner (twerner@duluthairport.com)  
2025-12-22 - 8:37:12 PM GMT
-  Document e-signed by Tom Werner (twerner@duluthairport.com)  
Signature Date: 2025-12-22 - 8:37:47 PM GMT - Time Source: server

 Email viewed by michael.henderson14@gmail.com

2025-12-23 - 3:31:58 AM GMT

 Signer michael.henderson14@gmail.com entered name at signing as Michael Henderson

2025-12-23 - 3:32:32 AM GMT

 Document e-signed by Michael Henderson (michael.henderson14@gmail.com)

Signature Date: 2025-12-23 - 3:32:34 AM GMT - Time Source: server

 Agreement completed.

2025-12-23 - 3:32:34 AM GMT

**DAA Construction ACH Payment Register #1-2026**  
**January 6, 2026**

**Confirmation #0050264**


Document Number	Date	Transaction Type	Payee	Amount
00000207/1	1/6/2026	BILLPMT	1 Short Elliott Hendrickson	\$6,800.00
00000207/2	1/6/2026	BILLPMT	1 Short Elliott Hendrickson	\$8,735.00
00000207/3	1/6/2026	BILLPMT	1 Short Elliott Hendrickson	\$14,535.00
00000207/4	1/6/2026	BILLPMT	1 Short Elliott Hendrickson	\$58,145.00
00000207/5	1/6/2026	BILLPMT	1 Short Elliott Hendrickson	\$4,720.00
00000207/6	1/6/2026	BILLPMT	1 Short Elliott Hendrickson	\$103,210.00
<b>Total</b>				<b>\$196,145.00</b>

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

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

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

*Michael Henderson*  
Michael Henderson (Jan 5, 2026 14:55:24 CST)  
\_\_\_\_\_  
Board President

  
Joel Bailey (Jan 5, 2026 14:05:11 CST)  
\_\_\_\_\_  
City Treasury












# Construction ACH Payment Register 1-2026


Final Audit Report

2026-01-05


Created:	2026-01-05
By:	Kathy Leon (kleon@duluthairport.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAANV5Zb422HvzKxCDXG7G3EgVvL9IZc7IY

## "Construction ACH Payment Register 1-2026" History

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-  Document emailed to Joelle Bodin (jbodin@duluthairport.com) for signature  
2026-01-05 - 7:39:29 PM GMT
-  Document emailed to Tom Werner (twerner@duluthairport.com) for signature  
2026-01-05 - 7:39:29 PM GMT
-  Document emailed to michael.henderson14@gmail.com for signature  
2026-01-05 - 7:39:30 PM GMT
-  Document emailed to Josh Bailey (jbailey@duluthmn.gov) for signature  
2026-01-05 - 7:39:30 PM GMT
-  Email viewed by Tom Werner (twerner@duluthairport.com)  
2026-01-05 - 7:40:25 PM GMT
-  Document e-signed by Tom Werner (twerner@duluthairport.com)  
Signature Date: 2026-01-05 - 7:40:38 PM GMT - Time Source: server
-  Email viewed by Joelle Bodin (jbodin@duluthairport.com)  
2026-01-05 - 7:45:29 PM GMT
-  Document e-signed by Joelle Bodin (jbodin@duluthairport.com)  
Signature Date: 2026-01-05 - 7:45:37 PM GMT - Time Source: server
-  Email viewed by Josh Bailey (jbailey@duluthmn.gov)  
2026-01-05 - 8:04:40 PM GMT
-  Document e-signed by Josh Bailey (jbailey@duluthmn.gov)  
Signature Date: 2026-01-05 - 8:05:11 PM GMT - Time Source: server

 Email viewed by michael.henderson14@gmail.com

2026-01-05 - 8:54:51 PM GMT

 Signer michael.henderson14@gmail.com entered name at signing as Michael Henderson

2026-01-05 - 8:55:22 PM GMT

 Document e-signed by Michael Henderson (michael.henderson14@gmail.com)

Signature Date: 2026-01-05 - 8:55:24 PM GMT - Time Source: server

 Agreement completed.

2026-01-05 - 8:55:24 PM GMT



City Attorney's Office

Room 440  
411 West First Street  
Duluth, Minnesota 55802

218-730-5490

attorney@duluthmn.gov

January 2, 2026

VIA: Email (pkirsch@kaplankirsch.com)

Mr. Peter J. Kirsch  
Kaplan Kirsch LLP  
1634 I Street, NW, Suite 300  
Washington, DC 20006

Re: Duluth Airport Authority Stormwater Fees

Hello Mr. Kirsch:

I was able to meet with our stormwater program staff regarding your latest email and the items we discussed in our most recent virtual meeting in September. Thank you for your patience throughout the City's continued evaluation of this matter.

The City and Duluth Airport Authority's ("DAA") back-and-forth on this issue has continued for well over a year and, at this point, the City believes it is in both parties' interest to direct this matter toward a final conclusion. The City is willing to propose a code amendment to add taxilanes to the existing fee exemptions granted to runways and taxiways, which the City believes is consistent with existing practice of exempting City rights-of-way used to facilitate vehicular transportation by the general public. Beyond that, City does not see any reasonable basis for granting additional exemptions or discounts to the DAA.

### **Stormwater Utility Benefits and Fee Methodologies**

The DAA has continuously asserted that stormwater runoff from certain areas of Duluth International Airport and Sky Harbor Airport does not impact the City stormwater system due to never entering any facility of the City of Duluth stormwater drainage system. But that position appears to be based on the DAA's view that the "city's stormwater system" should only include engineered structures/systems, which is an unduly narrow characterization that has no basis in law or fact.

The City is legally responsible for managing stormwater runoff generated within its MS4 permit jurisdiction and these responsibilities are not limited to runoff captured by engineered sewer systems. For that reason, the City's stormwater system is defined as the "existing constructed and natural stormwater drainage facilities and channels of the city and all improvements thereto," which is consistent with how stormwater systems are defined by municipalities throughout Minnesota. As a general matter, stormwater billing is based on the volume and/or types of stormwater *runoff* generated by a particular property, not where that runoff ultimately flows, or how quickly it flows outside of a stormwater utility's jurisdiction. *See* Minn. Stat., sec. 444.075,

subd. 3b (allowing Minnesota stormwater utilities to fix stormwater fees on “any equitable basis” and citing examples of permissible methodologies, which exclusively target the characteristics and volume of stormwater runoff produced by a property). Indeed, with the exception of water that is captured and reused or absorbed into the ground, all runoff—whether channeled through natural features or man-made infrastructure—ultimately flows to natural waterways outside of Duluth city limits, and stormwater runoff from several other properties within the City is either largely or exclusively managed by natural waterways.

The primary purposes of the City’s stormwater utility and system are to control flooding, water quality, and sources of pollution. At the DAA’s public utilities commission appeal, the City provided the DAA a detailed overview of the benefits of its stormwater management activities, including the operation, maintenance, and expansion of infrastructure; public education, outreach, and pollution prevention; detection and removal of illicit discharges; inspection and oversight of public and private structural best management practices (BMPs); and construction site stormwater control programming and inspections. These activities, and their associated benefits, are shared by every individual and property owner within the City’s jurisdiction, and Minnesota law expressly supports the City’s decision to evenly allocate the burdens (i.e., cost) of maintaining the broader system across property owners within its jurisdiction.

Put simply, the City’s stormwater methodology does not assess fees solely on the basis of the man-made infrastructure bordering each property, nor would it be appropriate to do so for a utility designed to manage diffuse and difficult to manage flood and pollution risks by way of calculated, targeted infrastructure and programming investments that are outside of each individual property owner’s control. *See* Minn. Stat. 444.075, subd. 3g (“In determining the reasonableness of the charges to be imposed, the governing body may give consideration to all costs of the establishment, operation, maintenance, depreciation and necessary replacements of the system, and of improvements, enlargements and extensions *necessary to serve adequately the territory of the municipality or county* including the principal and interest to become due on obligations issued or to be issued and the costs of obtaining and complying with permits required by law”).

### **Airport Stormwater Fees and Related FAA Regulations**

The City of Duluth, as an airport sponsor, has done its due diligence to evaluate the DAA’s federal regulatory arguments, and the City continues to find no federal legal justification supporting fundamental alterations to the DAA’s stormwater fees. Significantly, the DAA has also declined to provide any specific evidence, decisions, or authority supporting its position that the fees currently assessed to its properties are impermissible under federal law.

The DAA has confirmed the City’s findings that the FAA’s decision in *Air Transport Association of America v. FAA*, and the subsequent D.C. Circuit ruling (Case No. 18-1157 (D.C. Cir. 2019)) upholding that decision, is the only known published guidance on this particular topic. Again, all that decision requires—regardless of whether the utility provider is or is not the airport

sponsor—is a “reasonable, transparent, and not unjustly discriminatory” methodology for allocating stormwater fees to an airport that does not result in the airport being “unfairly singled out” relative to other ratepayers.

### **Conclusion**

In summary, to ensure all impervious surfaces actively used for airline transportation are treated in the same manner as other City transportation rights-of-way, the City intends to pursue an amendment to add airport taxilanes to the DAA’s existing exemptions for airport runways and taxiways. Based on the DAA’s arguments and the City’s own due diligence to-date, the City finds no reasonable basis to make further changes to the stormwater fees assessed to the DAA at this time, and the City continues to encourage the DAA to take the necessary steps to qualify for the 90% waterfront credit available to the Sky Harbor airport, as well as the additional credits of up to 50% available to the Duluth International Airport.

s/  
NICHOLAS W ANDERSON (#0398274)  
Assistant City Attorney

CC: Terri Lehr, City Attorney  
Jim Benning, Director, Department of Public Works and Utilities

#### IV. - B.

Dear Members of the Airport Authority Board,

I am writing as a General Aviation tenant at Duluth International Airport to respectfully share several observations regarding the current condition of GA facilities, and to ask whether these items could be considered for discussion at a future board meeting or facilities review.

Duluth International Airport is unique in that it is home to the largest General Aviation aircraft manufacturing operation in the world. This makes Duluth a nationally and internationally recognized center for GA activity and innovation. Given that distinction, many local GA pilots and tenants feel there is an opportunity for the airport's facilities and tenant experience to better reflect that role and leadership within the GA community.

At present, there are several infrastructure and access concerns that are increasingly impacting GA tenants and the overall perception of GA friendliness at the airport:

- Several GA hangars are in visibly deteriorated condition, with aging structures that would benefit from refurbishment or modernization.
- There are no readily accessible restroom facilities available for GA hangar tenants, which presents both convenience and safety concerns—particularly during early morning, late evening, or winter operations.
- Many hangar doors exhibit leaking, missing, or ineffective seals, allowing snow, water, and cold air intrusion. This contributes to increased maintenance burdens on aircraft and reduces the overall usability of the spaces.
- There is limited or no designated parking available for T-hangar tenants, creating ongoing access challenges for aircraft owners and their guests.
- There is no dedicated GA man-gate or secure access point that would allow passengers or visitors to arrive separately and meet aircraft owners airside, which limits functionality and convenience for normal GA operations.

I fully recognize that airport funding, prioritization, and regulatory requirements are complex, and I appreciate the work the Authority does to balance airline, commercial, and General Aviation needs. With that in mind, I would respectfully ask whether a portion of current GA rental income could be evaluated for reinvestment into maintaining and improving existing GA facilities and access infrastructure. Targeted reinvestment in these areas could significantly improve tenant experience while preserving long-term airport assets.

My intent in raising these concerns is not to criticize, but to ask how GA facility and access improvements might be evaluated and prioritized within future planning efforts—especially given the airport’s prominent role in the GA industry.

I respectfully request that these items be considered for placement on a board agenda for discussion, or that guidance be provided on how GA tenants may formally participate in a facilities review, planning process, or working group to help identify practical and phased improvement options.

Thank you for your time, consideration, and continued stewardship of Duluth International Airport. I appreciate the Board’s openness to tenant and community input and look forward to continued dialogue on how we can collectively strengthen the General Aviation presence at the airport.

Respectfully,

Matthew Deis  
General Aviation Tenant  
Duluth International Airport



# Construction Newsletter

## Duluth International Airport (DLH)

January 9, 2026

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### North Business Development Area (NBDA) Hangar Construction

Over the last month, progress continued to focus on the building erection, which remains underway. The exterior wall framing has been fully completed, along with the mezzanine framing, marking a significant structural milestone for the project. The contractor is preparing to transition into the next phase of work, which includes the installation of exterior siding and associated flashing.

The northwest corner of the NBDA ramp remains closed and will be closed for the duration of the project.

#### Proposed Schedule (subject to change)

- August 2025 to April 2026



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**PLEASE NOTE**

*Dates are subject to change.*

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

## Project Contact Information

Ryan Welch, Director of Operations, Planning, and Construction - Duluth Airport Authority

[rwelch@duluthairport.com](mailto:rwelch@duluthairport.com)

Jessica Vinson, Project Manager - SEH

[jvinson@sehinc.com](mailto:jvinson@sehinc.com)

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Duluth International Airport  
(218) 727-2968  
[daa@duluthairport.com](mailto:daa@duluthairport.com)

**Allegiant and Sun Country Airlines to Combine, Creating a Leading, More Competitive  
Leisure-Focused U.S. Airline**

*Brings Together Airlines with Similar Flexible Capacity Models Serving 22 Million Annual Customers,  
Nearly 175 Cities, With More Than 650 Routes, and 195 Aircraft*

*Complementary Route Networks, Diversified Fleet, and Third-Party Travel Business Expand Choice, and  
Service for Passengers, Allowing Them to Reach More U.S. and International Vacation Destinations*

*Strengthens Diversified Operations with Long-Term, Contractual Charter and Cargo Customers*

*Strong Margins and Balance Sheet Support Growth Drive Shareholder Returns*

*Expected to Generate \$140 Million in Annual Synergies by Year 3 Post Close; Accretive to EPS Year 1  
Post Closing While Enhancing Long Term Financial Returns*

*Larger Loyalty Program Will Boost Rewards with Expanded Earning Options, Richer Benefits, and  
Greater Flexibility for Travelers*

*More Opportunities for Team Members with a Shared Commitment  
to People and Service*

*Committed to Maintaining Significant Presence in Minneapolis-St. Paul as an Important Base of  
Operations and Key Anchor City*

*Investor Conference Call Scheduled for Monday, January 12 at 8:30 AM Eastern Time*

LAS VEGAS and MINNEAPOLIS – (PRNewswire) – Allegiant (NASDAQ: ALGT) and Sun Country Airlines (NASDAQ: SNCY) today announced a definitive merger agreement under which Allegiant will acquire Sun Country in a cash and stock transaction at an implied value of \$18.89 per Sun Country share. Sun Country shareholders will receive 0.1557 shares of Allegiant common stock and \$4.10 in cash for each Sun Country share owned, representing a premium of 19.8% over Sun Country’s closing share price of \$15.77 on January 9, 2026, and 18.8% based on the 30-day volume-weighted average price. The transaction values Sun Country at approximately \$1.5 billion, inclusive of \$0.4 billion of Sun Country’s net debt. Upon closing, Allegiant and Sun Country shareholders will own approximately 67% and 33%, respectively, of the combined company on a fully diluted basis.

The combination will create a leading leisure-focused U.S. airline, expanding service to more popular vacation destinations across the United States, as well as international destinations, and providing more people with access to affordable, convenient air travel. Allegiant and Sun Country are well positioned to create one of the most adaptable and resilient airline models in the industry, with the ability to respond quickly to changing market conditions, traveler demand, and charter and cargo partner needs. The combination of two financially strong leisure carriers in the U.S. will create benefits for customers, communities, employees, and partners by enhancing stability, expanding opportunities, and enabling continued investment and innovation.

Gregory C. Anderson, Allegiant CEO, said, “This combination is an exciting next chapter in Allegiant and Sun Country’s shared mission in providing affordable, reliable, and convenient service from underserved communities to premier leisure destinations. We have long admired Sun Country for their well-run, flexible, and diversified business model that optimizes for year-round utilization and strong margins. Together, our complementary networks will expand our reach to more vacation destinations including international locations. With our combined strengths— including operational excellence, consistent profitability, strong balance sheets, and fleet ownership, we will create an even more resilient and agile airline that delivers greater value to travelers, partners, Team Members, shareholders, and the communities we serve.”

Jude Bricker, Sun Country President & CEO, said, “Over Sun Country’s 43-year history, we have grown to become one of the nation’s most respected low-cost, leisure airlines with a unique business model for serving scheduled service and charter passengers as well as delivering cargo, with a strong brand and deep roots in Minnesota. Today marks an exciting next step in our history as we join Allegiant to create one of the leading leisure travel companies in the U.S. We are two customer-centric organizations, deeply committed to delivering affordable travel experiences without compromising on quality. Importantly, we believe this transaction delivers significant value to Sun Country shareholders and an opportunity to continue to benefit from our growth plans as a combined company.”

### **A Shared Commitment to Affordable Leisure Travel for Our Combined 22 Million Annual Passengers**

Both Allegiant and Sun Country have built their businesses with a focus on connecting travelers to the places they love, with a commitment to value, convenience, and customer choice. The combined airline will offer:

- **Complementary footprint provides more destinations, more often:** The combination brings together complementary route networks across Allegiant’s small and mid-sized localities and Sun Country’s larger cities and will provide more than 650 routes, including 551 Allegiant routes and 105 Sun Country routes. This combination will connect MSP to Allegiant’s mid-sized markets, and expand nonstop service to popular vacation spots, with a continued focus on underserved markets across the U.S. while expanding opportunities into international locations.
- **Expanded international service:** With access to Sun Country’s vast international network across Mexico, Central America, Canada, and the Caribbean, the combined airline will offer Allegiant customers access to expanded service from its small and mid-sized cities to 18 international destinations.
- **Greater scheduling agility, improved reliability, and dynamic route planning enhance on-time performance:** Integrated scheduling and fleet management will enhance on-time performance. The combined airline’s flexible capacity will match demand during peak leisure travel seasons and days of the week, while leveraging year-round charter and cargo operations to maximize profitability. By rapidly adjusting and expanding passenger and charter routes to support emerging vacation trends and expertly matching demand trends, the combined company can better service underserved markets and meet charter and cargo customer demands.
- **Enhanced loyalty rewards program:** Expanded frequent flyer and membership benefits, combining the best of both airlines’ programs. Adding Sun Country’s more than 2 million members to Allegiant’s 21 million member base further enhances the relevance of the combined program, driving greater customer rewards.

### **Opportunities for Our Teams Flying Together**

Allegiant and Sun Country share cultures rooted in respect, teamwork, and opportunity, where employees are empowered to grow their careers and contribute to a mission they believe in: connecting communities and helping travelers reach the places they love. As part of a leading leisure-focused airline, employees will have increased opportunities, including:

- **Career growth:** A larger network and fleet will create new roles, advancement opportunities, and cross-training possibilities across the combined airline.
- **Shared culture of service:** Both airlines’ emphasis on safety, hospitality, and affordable leisure travel will remain central to training, operations, and customer care.

- **Seasonal stability:** In addition to expanded leisure travel opportunities, the combined airline's diversified operations, including Sun Country's long-term charter contracts and cargo partnerships, will create more year-round flying opportunities for pilots, crews, and operations personnel. This stability supports career growth, cross-training, and operational efficiency across the network.
- **Employee engagement:** Continued investment in programs that support professional development and recognition of team member contributions.

Allegiant and Sun Country will work closely with employees and their unions — including pilots, flight attendants, mechanics, ground staff, and dispatchers — to ensure a smooth and transparent integration process. Existing collective bargaining agreements will remain in effect, and the companies will follow all processes required under the Railway Labor Act. Both companies share a goal to support employees throughout the transition, creating a unified team for the future.

### Creating Outsized, Long-Term Value for Shareholders

The combination of Allegiant and Sun Country brings together two profitable airlines with strong balance sheets and is expected to deliver immediate and sustained value to shareholders of both companies through significant long-term growth potential and enhanced financial strength, including:

- **Synergy realization:** Allegiant expects to achieve \$140 million in annual synergies within three years following the closing and integration, primarily driven by the ability to provide more customers with more options across the combined network. Expected cost savings and revenue synergies are also expected from scale efficiencies, fleet optimization, and procurement.
- **EPS accretion:** Transaction expected to be accretive to earnings per share one year post closing, while enhancing long-term financial results.
- **Balance sheet flexibility and leverage:** The combined company expects Net Adjusted Debt<sup>1</sup> to EBITDAR of less than 3.0x at closing and to maintain balance sheet flexibility post-closing.
- **Diversified operations:** Sun Country remains a major narrow-body freighter operator in the U.S., with its multi-year agreement with Amazon Prime Air, as well as its charter contracts with casinos, Major League Soccer, collegiate sports teams, and the Department of Defense. With the addition of Allegiant's existing charter business, the combined airline will benefit from a further diversified business model that balances demand cycles, provides stable revenue streams, and maximizes aircraft and crew utilization.
- **Enhanced fleet optimization and leverage:** Owning and operating both Airbus and Boeing aircraft – with the ability to source additional aircraft from new and existing markets – will enable the company to deploy aircraft where they deliver the greatest operational and financial benefit. The combined airline will have the scale to more fully utilize Allegiant's 737 MAX fleet and order book, improving fuel efficiency and capacity. On closing, the combined airline will operate approximately 195 aircraft, with 30 on order and an additional 80 options.
- **Financial resilience through economic cycles:** The combined airline's diversified revenue streams, including its high ancillary revenues and long-term contracts in cargo and charter that are able to pass through fuel risk to the end customer, are expected to provide greater resilience through economic cycles.

### Leadership, Governance, and Footprint

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<sup>1</sup> Adjusted Net Debt / Adjusted EBITDAR defined as (Total Debt + Operating Leases – Cash) / LTM Adjusted EBITDAR.

Following close, Allegiant will continue to be the publicly held parent company and the combined company will continue under the Allegiant name. However, each airline will operate separately until the airline operations obtain a single operating certificate from the FAA which consolidates the airlines' operations, procedures, and safety protocols into one framework. There will be no immediate impact to ticketing, flight schedules, and travel experience, or the Sun Country brand, and customers can continue to book and fly with Allegiant and with Sun Country as they do today.

Upon closing, Allegiant CEO Gregory C. Anderson will serve as Chief Executive Officer of the combined company, and Robert Neal will serve as President and Chief Financial Officer. Sun Country President and CEO Jude Bricker will join the Board of Directors, alongside two additional Sun Country Board members, expanding the size of the Allegiant board to 11. Maury Gallagher, Chairman of the Board of Allegiant, will serve as Chairman of the Board of the combined company. Jude Bricker will serve as an advisor to Mr. Anderson to help ensure a smooth and successful integration.

The combined company will be headquartered in Las Vegas and will maintain a significant presence in Minneapolis-St. Paul where Sun Country is based.

### **Timing and Approvals**

The transaction has been unanimously approved by the boards of directors of both companies and is expected to close in the second half of 2026, subject to receipt of U.S. federal antitrust clearance and other required regulatory approvals, the approval of both companies' shareholders and other customary closing conditions.

### **Investor Conference Call and Transaction Website Details**

Allegiant and Sun Country will conduct a live conference call and webcast to discuss the transaction tomorrow, January 12, 2026, at 8:30 AM ET. A live broadcast of the conference call will be available via the Company's Investor Relations website homepage at <http://ir.allegiantair.com>.

The webcast and accompanying presentation slides will be available on both the Allegiant [website](#) and Sun Country [website](#), as well as [www.SoaringForLeisure.com](http://www.SoaringForLeisure.com), a joint website dedicated to the transaction.

### **Advisors**

Barclays is serving as financial advisor, and Skadden, Arps, Slate, Meagher & Flom LLP is serving as legal advisor, and FGS Global is serving as strategic communications advisor to Allegiant.

Goldman Sachs & Co. LLC is serving as financial advisor and Milbank LLP is serving as legal advisor, and Collected Strategies is serving as strategic communications advisor to Sun Country.

### **Allegiant – Together We Fly™**

Las Vegas-based Allegiant (NASDAQ: ALGT) is an integrated travel company with an airline at its heart, focused on connecting customers with the people, places, and experiences that matter most. Since 1999, Allegiant Air has linked travelers in small-to-medium cities to world-class vacation destinations with all-nonstop flights and industry-low average fares. Today, Allegiant's fleet serves communities across the nation, with base airfares less than half the cost of the average domestic roundtrip ticket. For more information, visit us at [Allegiant.com](http://Allegiant.com). Media information, including photos, is available at <http://gofly.us/iiFa303wrtF>

### **About Sun Country**

Sun Country Airlines is a new breed of hybrid low-cost air carrier, whose mission is to connect guests to their favorite people and places to create lifelong memories and transformative experiences. Sun Country dynamically and synergistically deploys shared resources for our passenger service, including scheduled service and charter, and cargo service segments. Based in Minnesota, we focus on serving leisure and visiting friends and relatives (“VFR”) passengers and charter customers and providing cargo service to Amazon, with flights throughout the United States and to destinations in Mexico, Central America, Canada, and the Caribbean.

For photos, b-roll and additional company information, visit <https://www.stories.suncountry.com/multimedia>

### **Cautionary Statement Regarding Forward-Looking Statements**

This communication contains forward-looking statements under the safe harbor provisions of Section 21E of the Securities Exchange Act of 1934, Section 27A of the Securities Act of 1933 and the Private Securities Litigation Reform Act of 1995. Forward-looking statements include all statements that are not historical facts and often can be identified by the use of forward-looking terminology such as the words “believe,” “expect,” “guidance,” “anticipate,” “intend,” “plan,” “estimate”, “project”, “hope” or similar expressions. Forward-looking statements in this communication are based on Allegiant’s and Sun Country’s current expectations, estimates and projections about the expected date of closing of the proposed transaction and the potential benefits thereof, their respective businesses and industries, management’s beliefs and certain assumptions made by Allegiant and Sun Country, all of which are subject to change. Forward-looking statements in this communication may relate to, without limitation, the benefits of the proposed transaction, including future financial and operating results; the parties’ respective plans, objectives, expectations and intentions; the expected timing and likelihood of completion of the proposed transaction; expected synergies of the proposed transaction; the timing and result of various regulatory proceedings related to the proposed transaction; the ability to execute and finance current and long-term business, operational, capital expenditures and growth plans and strategies; the impact of increased or increasing transaction and financing costs associated with the proposed transaction or otherwise, as well as inflation and interest rates; and the ability to access debt and equity capital markets.

Forward-looking statements involve risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed in any forward-looking statements. Accordingly, there are or will be important factors that could cause actual results to differ materially from those indicated in such statements and, therefore, you should not place undue reliance on any such statements and caution must be exercised in relying on forward-looking statements. Important risk factors that may cause such a difference include, but are not limited to, the following: the occurrence of any event, change or other circumstance that could give rise to the right of one or both of the parties to terminate the definitive merger agreement for the proposed transaction; the risk that potential legal proceedings may be instituted against Allegiant or Sun Country and result in significant costs of defense, indemnification or liability; the possibility that the proposed transaction does not close when expected or at all because required stockholder approvals, required regulatory approvals or other conditions to closing are not received or satisfied on a timely basis or at all (and the risk that such regulatory approvals may result in the imposition of conditions that could adversely affect the combined company or the expected benefits of the proposed transaction); the risk that the combined company will not realize expected benefits, cost savings, accretion, synergies and/or growth from the proposed transaction or that any of the foregoing may take longer to realize or be more costly to achieve than expected; disruption to the parties’ businesses as a result of the announcement and pendency of the proposed transaction; the costs associated with the anticipated length of time of the pendency of the proposed transaction, including the restrictions contained in the definitive merger agreement on the ability of each of Sun Country and Allegiant to operate their respective businesses outside the ordinary course consistent with past practice during the pendency of the proposed transaction; the diversion of Allegiant’s and Sun Country’s respective management teams’ attention and time from ongoing business operations and opportunities on acquisition-related matters; the risk that the integration of Sun Country’s operations will be materially delayed or will be more costly or difficult than expected or that Allegiant is otherwise unable to

successfully integrate Sun Country's businesses into its businesses; the possibility that the proposed transaction may be more expensive to complete than anticipated, including as a result of unexpected factors or events; reputational risk and potential adverse reactions of Allegiant's or Sun Country's customers, suppliers, employees, labor unions or other business partners, including those resulting from the announcement or completion of the proposed transaction; the dilution caused by Allegiant's issuance of additional shares of its common stock in connection with the consummation of the proposed transaction; a material adverse change in the business, condition or results of operations of Allegiant or Sun Country; changes in domestic or international economic, political or business conditions, including those impacting the airline industry (including customers, employees and supply chains); Allegiant's and Sun Country's ability to successfully implement their respective operational, productivity and strategic initiatives; the outcome of claims, litigation, governmental proceedings and investigations involving Allegiant or Sun Country; and a cybersecurity incident or other disruption to Sun Country's or Allegiant's technology infrastructure.

Forward-looking statements in this communication are qualified by and should be read together with, the risk factors set forth above and the risk factors included in Allegiant's and Sun Country's respective annual and quarterly reports as filed with the Securities and Exchange Commission (the "SEC"), and readers should refer to such risks, uncertainties and risk factors in evaluating such forward-looking statements. In addition, the risk factors discussed above are not exhaustive and they, along with other risk factors, will be more fully discussed in the registration statement and joint proxy statement/prospectus to be filed with the SEC in connection with the proposed transaction.

The forward-looking statements in this communication are made only as of the date they were first issued, and unless otherwise required by applicable securities laws, Allegiant and Sun Country disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

### **Important Additional Information and Where to Find It**

In connection with the proposed transaction, Allegiant intends to file with the SEC a registration statement on Form S-4 (the "Registration Statement"), which will include a prospectus with respect to the shares of Allegiant's common stock to be issued in the proposed transaction and a joint proxy statement for Allegiant's and Sun Country's respective stockholders (the "Joint Proxy Statement/Prospectus"). The definitive joint proxy statement (if and when available) will be mailed to stockholders of Allegiant and Sun Country. Each of Allegiant and Sun Country may also file with or furnish to the SEC other relevant documents regarding the proposed transaction. This communication is not a substitute for the Registration Statement, the Joint Proxy Statement/Prospectus or any other document that Allegiant or Sun Country may file with the SEC or send to their respective stockholders in connection with the proposed transaction. **INVESTORS AND SECURITY HOLDERS OF ALLEGIANT AND SUN COUNTRY ARE URGED TO READ THE REGISTRATION STATEMENT AND THE JOINT PROXY STATEMENT/PROSPECTUS INCLUDED WITHIN THE REGISTRATION WHEN THEY BECOME AVAILABLE, AS WELL AS ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC IN CONNECTION WITH THE PROPOSED TRANSACTION OR INCORPORATED BY REFERENCE INTO THE REGISTRATION STATEMENT AND THE JOINT PROXY STATEMENT/PROSPECTUS (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO), BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION REGARDING ALLEGIANT, SUN COUNTRY, THE PROPOSED TRANSACTION AND RELATED MATTERS.** Investors and security holders of Allegiant and Sun Country may obtain free copies of these documents and other documents filed with the SEC by Allegiant or Sun Country through the website maintained by the SEC at <http://www.sec.gov> or from Allegiant at its website, <https://ir.allegiantair.com/financials/sec-filings/default.aspx>, or from Sun Country at its website, <https://ir.suncountry.com/financials/sec-filings>. Documents filed with the SEC by Allegiant will be available free of charge by accessing Allegiant's website at <https://ir.allegiantair.com/financials/sec-filings/default.aspx>, or alternatively by directing a request by mail to Allegiant's Investor Relations department, 1201 North Town Center Drive, Las Vegas, NV 89144, and documents filed with the SEC by Sun Country will be available free of charge by accessing Sun Country's website at

<https://ir.suncountry.com/financials/sec-filings>, or alternatively by directing a request by mail to Sun Country's Investor Relations department, 2005 Cargo Road, Minneapolis, MN 55450.

### **Participants In The Solicitation**

Allegiant, Sun Country and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of Allegiant and Sun Country in connection with the proposed transaction under the rules of the SEC.

Information about the interests of the directors and executive officers of Allegiant and Sun Country and other persons who may be deemed to be participants in the solicitation of stockholders of Allegiant and Sun Country in connection with the proposed transaction and a description of their direct and indirect interests, by security holdings or otherwise, will be included in the Joint Proxy Statement/Prospectus, which will be filed with the SEC.

Information about the directors and executive officers of Allegiant, their ownership of Allegiant common stock and Allegiant's transactions with related persons can also be found in the Allegiant Annual Report and Allegiant's definitive proxy statement in connection with its 2025 annual meeting of stockholders, as filed with the SEC on Schedule 14A on April 30, 2025 (the "Allegiant 2025 Proxy Statement"), and other documents subsequently filed by Allegiant with the SEC, which are available on its website, <https://ir.allegiantair.com/financials/sec-filings/default.aspx>. Such information is set forth in the sections entitled "Proposal No. 1 – Election of Directors", "Proposal No. 2 – Advisory (non-binding) Vote on Executive Compensation", "Proposal No. 3 – Approval of Amendment to Allegiant 2022 Long-Term Incentive Plan to Increase Number of Shares Available", "Executive Compensation" and "Related Party Transactions" of the Allegiant 2025 Proxy Statement. To the extent holdings of Allegiant common stock by the directors and executive officers of Allegiant have changed from the amounts of Allegiant common stock held by such persons as reflected therein, such changes have been or will be reflected on Statements of Change in Ownership on Form 4 filed with the SEC, which are available at <https://www.sec.gov/edgar/browse/?CIK=1362468&owner=exclude> under the tab "Ownership Disclosures".

Information about the directors and executive officers of Sun Country, their ownership of Sun Country common stock and Sun Country's transactions with related persons can also be found in the definitive proxy statement for Sun Country's 2025 annual meeting of stockholders, as filed with the SEC on Schedule 14A on April 25, 2025 (which is available at <https://ir.suncountry.com/financials/sec-filings>), and other documents subsequently filed by Sun Country with the SEC. Such information is set forth in the sections entitled "Proposal 1– Reelection of Directors", "Proposal 2 – Non-binding (Advisory) Vote to Approve the Compensation of Our Named Executive Officers", "Executive Compensation", "Certain Relationships and Related Person Transactions" and "Security Ownership of Certain Beneficial Owners and Management" of such definitive proxy statement. Please also refer to Sun Country's subsequent Current Reports, as filed with the SEC on Form 8-K on September 22, 2025 (which is available at <https://ir.suncountry.com/financials/sec-filings>) and on October 30, 2025, regarding subsequent changes to Sun Country's Board of Directors and executive management following the filing of such definitive proxy statement. To the extent holdings of Sun Country common stock by the directors and executive officers of Sun Country have changed from the amounts of Sun Country common stock held by such persons as reflected in the definitive proxy statement, such changes have been or will be reflected on Statements of Change in Ownership on Form 4 filed with the SEC, which are available at <https://www.sec.gov/edgar/browse/?CIK=1743907&owner=exclude> under the tab "Ownership Disclosures".

Free copies of these documents may be obtained as described above.

### **No Offer or Solicitation**

This communication is for informational purposes only and does not constitute, or form a part of, an offer to sell, an offer to buy, or the solicitation of an offer to sell or the solicitation of an offer to buy any securities,

and there shall be no sale of securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, and otherwise in accordance with applicable law.

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## VII. - A. New Business

# Resolution to Approve the 2023 – 2025 Collective Bargaining Agreement Between Local 66 AFSCME Minnesota Council 5 and the Duluth Airport Authority

## Executive Summary

### **Terms:**

- Calendar years of 2026 - 2028

### **Overview:**

- This collective bargaining agreement covers just over 50% of DAA staff.

### **Summary of Changes:**

- Wage Adjustments: 2.5% CPI + 2.5% Market Adjustment for a total of 5% each year, as market rate adjustments were not previously made to CBA scales in 2024.
- Holiday Added: Juneteenth
- Holiday Updated: Columbus Day to Indigenous People's Day
- Meal Allowance: Updated to \$15 for ten consecutive hours worked.
- Updated maximum reimbursement for prescription safety glasses to \$225.
- Removed limit of two Airport Maintenance III positions.
- Updated Language Clean-up/Errors
- Added 50/50 Premium split for the Paid Leave Policy as required by the Minnesota Paid Family Medical Leave Act
- Incorporated signed MOUs from prior period:
  - Position Title Change from Executive Assistant to Administrative Coordinator

**2026-2028**

**Agreement**

**Between the Duluth Airport Authority and Local 66 of  
A.F.S.C.M.E. Minnesota Council 5**

**for**

**Duluth Airport Authority Employees**



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THIS AGREEMENT, dated January 20th, 2026, is entered into by and between the Duluth Airport Authority, hereinafter called the "Employer", and Local 66 of A.F.S.C.M.E., represented by Minnesota Council 5, hereinafter called the "Union".

## ARTICLE I - PURPOSE OF AGREEMENT

The intent and purpose of this Agreement is to:

- 1.1 Establish certain hours, wages, and other terms and conditions of employment, as defined in Minnesota Statutes.
- 1.2 Establish procedures for the resolution of disputes concerning the interpretation and/or application of this Agreement.

The Employer and the Union, through this Agreement, continue their dedication to the highest quality public service. Both parties recognize this Agreement as a pledge of this dedication.

## ARTICLE 2 - DEFINITIONS

- 2.1 Executive Director means the Executive Director of the Duluth Airport Authority or their designee.
- 2.2 Appointing Authority means the Executive Director or their designee.
- 2.3 Basic Annual Pay means the employee's monthly salary as provided for in Appendix 2 or 3 of this Agreement added to the employee's longevity award as provided for in Article 9 of this Agreement multiplied by twelve (12).
- 2.4 Basic Hourly Rate, for all purposes, means the employee's basic annual pay divided by 2080 in the case of employees whose normal work week is forty (40) hours and divided by 1950 in the case of employees whose normal work week is thirty-seven and one-half (37-1/2) hours. The basic hourly rate shall be calculated to the nearest \$.0001.
- 2.5 Basic Monthly Pay means the employee's monthly salary provided for in Article 8 of this Agreement.
- 2.6 Board of Trustees means the governing body of the Joint Powers Enterprise and the Joint Self Insurance Pool.
- 2.7 Continuously Employed means a period of employment which has not been interrupted by more than thirty (30) calendar days at any one time, except by authorized leave of absence, sick leave, vacation or military leave of absence,

absence due to injury or illness that was compensable under the Minnesota Worker's Compensation Act.

- 2.8 Demotion - Instruction from Employer to Employee that the Employee shall work in a different job title, which job title is in a lower salary range than the one the Employee had been in before receiving said instruction from the Employer.
- 2.9 Duluth Joint Powers Enterprise Trust or Trust means the Trust created for the purpose of accepting and holding certain Employer contributions or other contributions under the Plan(s).
- 2.10 Employee means a person employed by the Employer who is a member of the formally recognized bargaining unit represented by the Union.
- 2.11 Grievance means a dispute or disagreement raised by an Employee involving the interpretation or application of the specific provisions of this Agreement.
- 2.12. Joint Powers Agreement or JPA means the joint powers agreement entered into and among the Members.
- 2.13 Joint Powers Enterprise means the enterprise jointly created by the Members and reflected in the Joint Powers Agreement.
- 2.14 Joint Self Insurance Pool or Pool means the joint self-insurance pool created by the Members under Minnesota law, known as the Duluth Joint Insurance Pool, through which certain Plans are funded and operated.
- 2.15 Members means, unless one or more cease to be a Member pursuant to Article XVI or Article XVII of the Joint Powers Agreement, Employer, the City of Duluth, the Duluth Entertainment and Convention Center Authority, and the Duluth Housing and Redevelopment Authority, and any other governmental entity, permitted by law, who subsequently becomes a Member under Article XX of the Joint Powers Agreement.
- 2.16 Non-Duty Disability - A physical condition which renders an employee incapable of performing the work within their classification assigned to him by the employer, and which is not compensable under the worker's compensation law.
- 2.17 Plan(s) means one or more benefit plans (1) jointly sponsored and maintained by the Members, pursuant to the provisions of the Joint Powers Agreement, (2) authorized by Minnesota law and able to be provided jointly by Minnesota governmental entities, and (3) that provides benefits for a Member's employees, former employees, including retirees, and persons covered by them (e.g. dependents) in accordance with the terms and conditions of such benefit plan(s), including eligibility.

- 2.18 Position - a job that the Employer has determined shall be performed by one person in a single job title.
- 2.19 Probationary Employee. New Employees shall serve an initial probationary period of one year, during which time they can be discharged without cause.
- 2.20 Shift means a stipulated eight (8) hour work period for personnel whose normal work week is forty (40) hours and a seven and one-half (7-1/2) hour period for personnel whose normal work week is thirty-seven and one-half (37-1/2) hours, unless a different schedule is agreed to by the Employee.
- 2.21 Supervisor means an Employee of the Airport Authority who has been determined by the Bureau of Mediation Services to be a supervisor.

### ARTICLE 3 - RECOGNITION

- 3.1 The Employer recognizes the Union as the exclusive bargaining representative of all personnel working in the job titles listed in Appendix 1 of this Agreement and as certified by the Bureau of Mediation Services and defined as "public employees" pursuant to the Public Employment Labor Relations Act (PELRA), Minn. Stat. 179.A.03, Subd. 14.
- 3.2 In the event that any new job title is created after the effective date but during the term of this Agreement, and such position is filled by the Airport Authority, the parties agree to meet and discuss whether or not such person should be represented by the Union prior to making a request to the Bureau of Mediation Services for a unit designation for such position.

### ARTICLE 4 - DUES CHECKOFF

- 4.1 The Employer shall deduct from the paychecks once each month an amount sufficient to provide the payment of regular dues established by the Union from the wages of all Employees authorizing such deduction, in writing, and remit such deductions to the appropriate officer designated by the Union within ten (10) days after the paychecks from which such deductions are made are distributed to the Employees.

### ARTICLE 5 - MANAGEMENT RIGHTS

- 5.1 The Employer and Union recognize and agree that except as expressly modified in this Agreement, the Employer has and retains all rights and authority necessary for it to direct and administer the affairs of the Employer and to meet its obligations under federal, state, and local law, such rights to include, but not be limited to, the rights specified in Minnesota Statutes Section 179A.07, Subd. 1; the right to direct the working forces; to plan, direct, and control all the operations of the Employer; to determine the methods, means, organization, and number of personnel by which

such operation and services are to be conducted; to contract for services; to assign and transfer employees; to schedule working hours and to assign overtime; to make and enforce reasonable rules and regulations; to change or eliminate existing methods of operation, equipment, or facilities.

#### ARTICLE 6 - SAVINGS CLAUSE

- 6.1 This agreement is subject to the laws of the United States and the State of Minnesota. In the event any provision of this Agreement shall be held to be contrary to such laws by a court of competent jurisdiction from whose final judgment or decree no appeal has been taken within the time provided, such provision shall be voided. All other provisions shall continue in full force and effect. The voided provision shall be renegotiated at the request of either party.

#### ARTICLE 7 - HOURS OF WORK

- 7.1 For employees in pay ranges 22 through 29, the normal work week shall be forty (40) hours, and the normal workday shall be eight (8) hours.
- 7.2 For employees in pay ranges 117 through 121, the normal week shall be forty (40) hours, and the normal workday shall be eight (8) hours, except as provided for in Article 47 or unless a different schedule is agreed to by the employee.
- 7.3 For computation of overtime, the work week will end at 12:00 a.m., Sunday midnight.

#### ARTICLE 8 - WAGES

- 8.1 Effective January 1, 2026, each Employee's Basic Hourly Rate shall be increased by 2.5% as a general wage increase, plus an additional 2.5% as a market adjustment as indicated on Appendix 2. Effective January 1, 2027, each Employee's Basic Hourly Rate shall be increased by 2.5% as a general wage increase, plus an additional 2.5% as a market adjustment as indicated on Appendix 3. Effective January 1, 2028, each Employee's Basic Hourly Rate shall be increased by 2.5% as a general wage increase, plus an additional 2.5% as a market adjustment as indicated on Appendix 4.
- 8.2 An employee receiving an original appointment shall be placed in Step A of the appropriate pay range as shown in Appendix 2 except when otherwise approved by the Executive Director. When an employee is promoted or reassigned to a higher job title or an employee's position is assigned to a higher pay range, their salary shall be increased to that salary in the new pay range in compliance with Minnesota State Law.
- 8.3 Employees shall remain at the assigned step as specified above until the beginning of the next pay period following completion of six (6) months service in a permanent

position, at which time they shall advance one (1) step in the pay range in Appendix 2, 3, and 4; thereafter the employee shall advance one (1) step in the pay range for each additional twelve (12) months of service.

- 8.4 An employee may be assigned to work special duty by written assignment. Any employee assigned by the Executive Director to special duty shall have their salary increased to that step in the pay range for the job title in which the employee is assigned to work which step is next over the salary they were receiving prior to such special duty assignment.
- a. The Executive Director shall select the employee by seniority in the next lowest or lower job title(s) in the work unit, provided said employee possesses any license required by job specifications.
  - b. Special Duty pay shall be paid where such assignment is for a period of more than one (1) hour.
  - c. Special duty pay shall not be paid for employees being trained within an Employer-approved training program.
  - d. No such assignment shall exceed 12 months, at which time a determination shall be made to permanently fill or vacate the position.
  - e. For the purposes of this Article, "special duty" assignment shall mean assignment to perform work not included in their job description but included in a more highly paid description.
- 8.5. The Employer and the Union agree there shall be training programs for all job titles.
- 8.6. Employees assigned to work out-of-class in a class with a higher pay range shall receive out-of-class pay after one hour of such work.
- 8.7. The Employer shall provide for the direct deposit of an employee's wages into a bank account selected by the employee.

#### ARTICLE 9 - LONGEVITY AWARD

- 9.1. In addition to the monthly pay prescribed herein, any employee who has been continuously employed for a number of qualified pay periods, the total of which is not less than eight (8) years, shall receive from and after the beginning of the next pay period following completion of their eighth (8th) year of service, a monthly longevity award equal to four percent (4%) of their basic monthly pay and any employee who has been continuously employed for a number of qualified pay periods, the total of which is not less than sixteen (16) years, shall receive from and after the beginning of the next pay period an additional monthly longevity award equal to four percent

(4%) of their basic monthly pay. Such longevity award shall be computed to the nearest dollar per month. Any employee who has been continuously employed for a number of qualified pay periods, the total of which is not less than twenty-four (24) years, shall receive a lump sum payment of 4% of their current base wages the pay period following the anniversary.

- 9.2. The term "Qualified Pay Period" shall mean any regular minimum period of time at the end of which full-time employees of the Airport Authority are regularly paid and during which the employee was employed and/or paid by the Airport Authority for not less than three-fourths (3/4) of the normal working hours of the position they then occupied.

#### ARTICLE 10 - SHIFT DIFFERENTIAL

- 10.1 Employees working a regular shift commencing between the hours of 2:30 p.m. and 10:00 p.m. shall, in addition to their Basic Hourly Rate, receive a shift differential equal to \$1.50 per hour for each hour worked during such a shift. Employees working a regular shift commencing between the hours of 10:00 p.m. and 4:00 a.m. shall, in addition to their Basic Hourly Rate, receive a shift differential equal to \$2.00 per hour for each hour worked during such a shift. Employees working a regular shift commencing between the hours of 4:00 a.m. and 2:30 p.m. on a Saturday or Sunday shall, in addition to their Basic Hourly Rate, receive a shift differential equal to \$1.50 per hour for each hour worked during such a shift. No employee shall receive such shift differential for any time for which they will receive overtime compensation provided for in Article 16 of this Agreement.

#### ARTICLE 11 - UNIFORMS

Uniforms shall be provided to employees by the Airport Authority as follows:

- 11.1 Miscellaneous. The Employer will provide sufficient coveralls and bibs for all employees' needs.
- 11.2 Safety Shoes. Employees designated by the Employer to wear safety shoes shall, as a term and condition of employment, wear safety shoes that comply with OSHA requirements. Employees may choose to purchase black insulated coveralls, bibs, and other cold-weather personal protective equipment (PPE) to wear at work. The Employer shall reimburse up to a combined total of \$300 for safety boots and black insulated coveralls, bibs, and other cold-weather personal protective equipment (PPE) at times approved by either the Director of Operations or the Executive Director. Such safety shoes shall be of a type and style determined by the Executive Director. Safety shoes are to be worn at the Airport only.
- 11.3 Safety Glasses. The Employer shall provide safety glasses (lenses and frames), including reimbursement for frames and prescription lenses (not to include eye

exams) of up to \$225 total per calendar year, to an Employee if safety glasses are required or recommended for the Employee's job.

#### ARTICLE 12 - MEAL ALLOWANCE

- 12.1 Any Employee required to work ten (10) or more consecutive hours shall be provided a meal allowance of fifteen dollars (\$15.00), which shall be added to the Employee's pay.

#### ARTICLE 13 - INCENTIVE AWARDS

- 13.1 In addition to all other compensation paid to an Employee pursuant to this Agreement, employees may be paid additional compensation from time to time in accordance with the rules and regulations of the Employee Incentive Awards Program. The rules and regulations for such program shall be established by the Executive Director. No employee shall receive more than \$1,000 total in any calendar year pursuant to such program. Employees may be eligible to receive multiple awards in a single year pursuant to the rules and regulations of the Employee Incentive Awards Program.

#### ARTICLE 14 - LIFE INSURANCE

- 14.1 Employer shall pay for \$50,000 of group life insurance for each eligible Employee. All Employees shall receive such life insurance coverage starting the first day of the calendar month following the date of hire.
- 14.2 Such insurance terminates on the last day of the month in which an Employee ends employment. Employees are responsible for contacting the Executive Director's office at least one (1) month prior to retirement to verify any insurance benefits due after termination.
- 14.3 Life Insurance - Retirees. The Employer shall pay full cost of term life insurance for any Employee who retires from employment with the Airport Authority on or after January 1, 1983, after having been employed by the Airport Authority for such total time to be qualified by such employment to receive retirement benefits from the Public Employees Retirement Association. The amount of the insurance coverage shall be \$6,250.

#### ARTICLE 15 - TOOLS

- 15.1 The Employer, at its own expense, shall provide employees with tools to perform their duties at each work site.

## ARTICLE 16 - OVERTIME PAY & COMPENSATORY TIME OFF

### 16.1 Rates of Compensation:

- a. Except as provided in this article, employees who are required by the employer and according to Section 4 of this article, to work in excess of eight (8) hours in any day or forty (40) regular hours in any week shall be compensated for such excess hours either with pay at the rate of one and one-half (1/2) times their current basic hourly rate or with compensatory time off at the rate of one and one-half (1/2) hours for each hour worked as provided in Section 2 of this article. For purposes of this article only, hours worked for purposes of calculating overtime or compensatory time when exceeding forty (40) hours in any week shall include scheduled vacation, personal leave, compensatory time off, and holidays identified under Article 24.1. Sick leave hours used shall be included for overtime or compensatory time computations only if the use is for funeral leave.
- b. Employees whose normal work week is thirty-seven and one-half (37.5) hours, when required by the employer and in accordance with Section 4 of this Article, work in excess of seven and one-half (7.5) hours in any day or in excess of thirty seven and one-half (37.5) hours in any week, shall, be compensated for such excess hours either with pay at the rate of one and one-half (1.5) times their current basic hourly rate or with compensatory time off at the rate of one and one-half (1.5) hours for each hour worked as provided in Section 2 of this article, unless a different arrangement is agreed to by the employee.
- c. Overtime shall be computed to the nearest fifteen (15) minutes.

### 16.2. Compensatory Time Off:

- a. Employees may bank up to a maximum of 120 hours of compensatory time at any one time.
- b. The distribution of time off shall be at the discretion of the Employer and upon request of the employee. In considering requests by Employees for compensatory time off, the Employer shall not grant such requests automatically, but shall consider whether the interests of the Employer would be served by permitting Employees to take time off at some time during the year when such time off may be taken without undue interference with the Employer's operations.
- c. Any compensatory time off due an Employee at the end of any calendar year shall be paid to such Employee in the paycheck covering the last pay period in that year, based on Employee's basic hourly rate as of the last day of that year.

- d. Employees may also cash in any amount of accumulated compensatory time at any time during the year by giving written notification to the Employer. They shall be paid for the compensatory time at the rate of pay at the time of the notification.
- 16.3 The working of overtime by an Employee shall be voluntary except in the case where the supervisor determines that work is necessary to protect property, human life or to keep the Airport open to provide service to the general public. For purposes of distribution of overtime, overtime refused is to be considered overtime worked.
- 16.4 Employees shall not be required to work more than sixteen (16) consecutive hours, to be followed by a minimum of eight (8) hours off before being required to return to work.

Employees may volunteer to return to work when asked by the Airport Authority before the minimum time off of eight (8) hours has expired. The employees shall be allowed a thirty (30) minute meal break before returning to work.

#### ARTICLE 17 - CALL BACK

- 17.1 Employees released by their supervisor and called back for work shall receive a minimum of three (3) hours pay at one and one-half (1.5) times their current Basic Hourly Rate, except that such three (3) hour minimum pay requirement shall not apply in instances where the call back time extends from or into an Employee's regularly scheduled Shift. In the event an Employee is called back more than once during an eight (8) hour period, such Employee shall not receive more than eight (8) hours pay at the overtime rate for such period.

#### ARTICLE 18 - SENIORITY

- 18.1 Seniority shall be determined by the Employee's length of service in their present job title. Temporary employment shall not apply towards continuous employment for the purposes of determining the benefits provided by this Agreement.
- 18.2
- a. Subject to the Employer's right to determine the times when vacations may be taken vacation selection rights shall be determined by seniority.
  - b. Subject to the Employer's right to schedule overtime and except as provided for in subparagraph (d) below, the right to work overtime anticipated to be less than three (3) hours in duration shall be determined as follows:
  - c. Unscheduled overtime shall first be offered to the most senior employee in the highest job title whose job description includes the work to be done who is then working on the airport; then to the next most senior person in that job title, or, if there is no other person in that job title present and working on the airport, to

the most senior person in the next lower job title who is present and working on the airport and so on until said right to work overtime has been accepted or has been refused by all employees qualified to do the work who are then working on the airport. Subsequently, if the offer of overtime has not been accepted, said overtime shall be offered to qualified employees not then working on the airport in the same manner and in the same order as was provided for with regard to employees working on the airport.

Scheduled overtime shall be distributed among the employees as equally as possible. Overtime refused shall be counted as overtime worked for the purposes of determining equity of distribution.

- d. The right to work overtime anticipated to be 3 or more hours in duration shall be determined in the same manner as provided for in subparagraph (b) and (c) above but without regard to an employee's presence on the airport.
  - e. Notwithstanding the provisions of paragraphs (b) and (c) above, if the Executive Director determines that the work to be performed on overtime requires particular expertise, he may assign the employee in that job title having the requisite level of expertise without regard to seniority.
  - f. All Employees shall be offered overtime hours. If all Employees decline the overtime work, the Employer may offer the work to temporary employees.
- 18.3 Any Employee denied the opportunity to work overtime because of the Employer's failure to comply with the requirements of paragraphs 1 or 2 of this Article shall, after the first such occurrence reported by the aggrieved Employee or the Union be given the opportunity, within thirty (30) working days after such report, to work an amount of overtime equal to that which they were denied as a result of the Employer's violation of such provisions, and if the Employee chooses to work such overtime, they shall be paid for such overtime an amount equal to what they would have earned if they had actually worked the overtime which they had been denied; in the case of any subsequent occurrence affecting the same employee which is within twelve (12) months of the first or any subsequent occurrence affecting such employee, the Employee shall be paid an amount equal to what they would have earned if they had actually worked the overtime that they were denied. Makeup overtime allowed under this paragraph may be worked at any time mutually agreed to by the employee and the Executive Director within the thirty (30) day period. Makeup overtime assigned to any Employee pursuant to this paragraph shall not be subject to the provisions of paragraph 2 of this article.
- 18.4 The Employer and Union agree with the principle that seniority shall be a factor in making any assignments.

- 18.5 The Employer agrees to furnish the Union with up-to-date lists every twelve (12) months upon request showing the present seniority of each employee, and to post a copy of such lists on employer bulletin boards.
- 18.6 When calculating job title seniority, the following criteria shall be used:
- a. An employee who is reassigned to a higher job title shall have their seniority date changed to the effective date of the reassignment.
  - b. An employee who is reassigned to a position at the same salary range shall retain their previously established seniority date.
  - c. Ties shall be broken as provided by Article 37.1(e)
- 18.7 This article shall not be construed to affect in any way the provisions contained in Article 37 regarding the layoff of employees.

#### ARTICLE 19 - HOSPITAL-MEDICAL & DENTAL INSURANCE

- 19.1 During the period of this Agreement, the Employer will offer to Employees the hospital-medical benefit plan, known as Plan 3A, containing the level of benefits as defined and designed by the City of Duluth.
- a. The Employer agrees to pay 80% of the monthly premium for family hospital-medical benefit Plan 3A.
  - b. The Employer agrees to pay for the employees without claimed dependents 100% of the monthly premium for single hospital-medical benefit Plan 3A. Effective January 1, 2017, the Employer agrees to pay for the Employees without claimed dependents 90% of the monthly premium for single hospital-medical benefit Plan 3A.
  - c. The Employer shall deduct from each eligible and enrolled Employee's salary or wages the amount by which the monthly premium cost of the Employee's hospital medical plan coverage exceeds the Employer's contribution.
  - d. Effective January 1, 2017, for each eligible Employee who has been continuously employed by the Employer for sufficient time as to be eligible for the Employer's hospital-medical benefit plan, the Employer shall make the following amounts available to the Employee for contribution to the Employer's Internal Revenue Code Section 125 cafeteria plan program:
    - 1. \$304 per month for each eligible Employee electing single hospital-medical benefit Plan 3A coverage or declining single hospital-medical Plan 3A

- coverage (must provide proof of other coverage which meets the Affordable Care Act's minimum essential coverage requirements).
2. \$170 per month for each eligible Employee electing family hospital-medical benefit Plan 3A coverage.
  3. Amounts contributed to a Part-Time Employee as described in Article 47 shall be calculated at 50% of the full-time rate in subsections (1)-(2) above.
- e. Hospital-medical and dental insurance monthly premiums shall be established by the Duluth Joint Powers Enterprise Trust Board of Trustees by November 1 of the prior year, to be in effect January 1 of each year for twelve (12) consecutive calendar months. Upon request, the Employer shall provide the union with all costs and utilization figures used to determine the insurance premiums.
- 19.2 Hospital-medical benefit plan coverage shall become effective the first of the month following date of hire.
- 19.3 The dependents of a deceased Employee shall receive hospital-medical insurance to the same extent as active employees. A surviving spouse's coverage eligibility ceases when the spouse dies or remarries.
- 19.4. Joint Powers Enterprise, Joint Self-Insurance Pool, and Trust.
- a. The parties acknowledge the Employer operates on a joint basis with the HRA, DECC and City of Duluth, one or more self-insured group health plans pursuant to the provisions of Minnesota Statutes Chapter 471 and Minnesota Rules Chapter 2785 for the purpose of providing health care benefits to eligible and enrolled Employees and their beneficiaries as described in Article 19.1 above.
  - b. The Employer, as a Member of the Joint Powers Enterprise, agrees to ensure that the administration of the Pool and Trust complies with the provisions of Minnesota Statutes Chapter 471, as amended, and Minnesota Rules Chapter 2785, as amended.
  - c. The Employer agrees to transfer and deposit monthly all premiums as described in Article 19.1 (a) and (b) into the Trust. Monies in the Trust shall only be expended for payment of participant health care benefit expenses, purchase of health and dental insurance (including stop loss insurance), payment of expenses incurred in the administration of the Employer's health care and dental care programs, and other health-related expenses. Expenses made pursuant to the Worker's Compensation laws, the cost of physical exams of, or medical services for, Employees which exams or services are required by the City or another governmental agency shall not be eligible expenses paid from the Trust. Any funds expended from the Trust that are later determined by the Employee Benefits Administrator or through court action, arbitration, or mediation to have been more correctly charged to Worker's Compensation shall be promptly

reimbursed to the Trust. Reimbursements received by the Employer from stop loss insurance shall be promptly deposited in the Trust.

- d. The Employer, as a Member of the Joint Powers Enterprise, agrees to ensure that the setting of reserves of the Pool complies with the provisions of Minnesota Statutes Chapter 471, as amended, and Minnesota Rules Chapter 2785, as amended.
  - e. If monies in the Trust are at any time insufficient to pay the expenses described in this Article, the Employer shall provide sufficient monies to such Trust as required by the Board of Trustees to cover the deficit.
- 19.5. The Employer, as a Member of the Joint Powers Enterprise, agrees to ensure that the setting of premium rates for the group health insurance plans of the Pool, a.) complies with the provisions of Minnesota Statutes Chapter 471, as amended, and Minnesota Rules Chapter 2785, as amended and b.) provides for an amount of premiums for the Trust for its fiscal year that is sufficient to provide for 1) the payment of expected health care claims for the current fiscal year, 2) a reasonable and appropriate reserve necessary to cover incurred and unreported claims, stop-loss liabilities, and other potential claims and liabilities, 3) stop-loss and other necessary insurance costs, 4) contract costs for third party claims administrator services, and 5) other administrative costs of the Pool as determined by the Board of Trustees to be necessary for administration of the Pool.
- 19.6 a. Dental Insurance. The Employer agrees to make dental care coverage available to all eligible Employees. The Employer agrees to pay the entire cost of low option for single coverage for each Employee. All Employees shall receive such dental insurance coverage on the first day of the month following the date of hire. The Employer and the Union agree that any change in such coverage shall only be done through negotiations. The maximum annual coverage for the low single option shall be \$1,000.
- b. Employees have the additional options to increase their annual dental insurance maximum benefit to \$2,000 and/or elect family dental coverage. The Employee must pay the additional cost (increase in monthly premium) above what the Employer provides in Article 19.6(a).

#### ARTICLE 20 - HOSPITAL-MEDICAL & DENTAL INSURANCE – RETIRED EMPLOYEES

- 20.1 Any Employee hired before January 1, 2007, who retires from employment with the Airport Authority after January 1, 1983, after having been continuously employed by the Airport Authority for a minimum of fifteen (15) years and for such total time so as to be qualified by such employment to receive retirement benefits from the Public Employees Retirement Association, the Duluth Firemen's Relief Association, or the Duluth Police Pension Association, and who is currently receiving a retirement or

disability pension from any such fund, shall receive hospital-medical benefit plan coverage to the same extent as active employees under Plan 3A subject to the following conditions and limitations:

- a. Except as provided in Article 20.4, the Employer agrees to pay the full cost of the monthly premium consistent with that provided active employees for the eligible retiree electing single hospital-medical benefit plan coverage.
  - b. Except as provided in Article 20.4, the Employer agrees to pay 80% of the monthly premium consistent with that provided active employees for the eligible retiree electing family hospital-medical benefit plan coverage
  - c. Such hospital-medical benefit plan coverage shall be, subject to the limitations and requirements of Article 20.2 and 20.3, for the life of the retiree, but if the retiree dies before their spouse, such coverage eligibility shall continue for such spouse, subject to the limitations and requirements of Article 20.2 and 20.3 until they dies or remarry, but any such coverage for such surviving spouse shall not include coverage for any dependent of such surviving spouse.
  - d. Retired employees may enroll in dental insurance coverages offered to current Employees at their own expense.
- 20.2 Any Employee who retires from employment with the Duluth Airport Authority after January 1, 1983, seeking benefits pursuant to this Article and who is 65 years of age or older, or meets any condition that qualifies them to be eligible for Medicare Coverage A and B must obtain it or lose any benefits hereunder. This language applies to the retired employee as well as any qualified dependent(s). The Duluth Airport Authority may provide a sixty-five (65) or older health insurance program in accordance with Article 20.1 in lieu of health care coverage provided active employees, except that the health insurance program, when combined with Medicare, will provide coverage no less than the coverage provided active employees. The health insurance program may be fully insured or self-insured at the option of the Duluth Airport Authority.
- 20.3 If any such covered retiree or spouse becomes the beneficiary of any hospital-medical coverage provided by another employer in connection with such retiree's or spouse's employment by or retirement from employment by another employer, the Duluth Airport Authority's obligation to provide the coverage indicated herein shall be only to the extent that the Duluth Airport Authority's coverage exceeds such other coverage.
- 20.4 Any Employee hired on or after January 1, 2007, who retires from DAA employment after having been Continuously Employed by the Employer for a minimum of fifteen (15) years and for such total time so as to be qualified by such employment to receive retirement benefits from the Public Employees Retirement Association (PERA), and

who is currently receiving a retirement or disability pension from PERA, may elect to enroll in the Employer's hospital-medical plan offered to active Employees. The Employer shall contribute \$250.00 monthly toward the total monthly premium cost for eligible retirees electing the single Plan 3A hospital-medical benefit plan coverage, and \$500 monthly toward the total monthly premium for eligible retirees electing family Plan 3A hospital-medical benefit plan coverage.

#### ARTICLE 21 - PERSONAL LEAVE

21.1 Employees shall receive four (4) days of personal leave with pay each calendar year, to be taken at a date and time approved by the Employer. Personal leave days not used by Employees before December 31 may not be cashed out or carried over for use in the next year. However, Probationary Employees may carryover personal days for use in the next year

#### ARTICLE 22 - PAY PERIODS

22.1 Employees shall be paid every two (2) weeks, and payment for each such two-week period shall be made not later than the Friday next following such two-week period. If any such Friday occurs on a holiday, checks shall be distributed on the working day next prior to such holiday. The amount of pay for each such two-week period shall be determined by multiplying the employee's basic hourly rate by seventy-five (75) in the case of employees whose normal work week is thirty-seven and one-half (37.5) hours and by eighty (80) in the case of employees whose normal work week is forty (40) hours. Payment will be made by electronic deposit only and Employees are required to participate in direct deposit. The Employer will provide reasonable electronic access to deposit information in lieu of paper paystubs. Work time or leave time may be recorded using either a decimal system or an hours and minutes system, whichever is most convenient for the payroll office.

#### ARTICLE 23 - REST PERIODS

23.1 Except as provided herein, a rest period of fifteen (15) minutes shall be permitted during each one-half (1/2) Shift. Such rest period will be given at such time as is established by the appropriate supervisor.

#### ARTICLE 24 - HOLIDAYS

24.1 Except as otherwise provided herein, Employees shall receive full-time off with pay for the legal holidays of New Year's Day, Martin Luther King Day, Washington's & Lincoln's Birthday (Presidents' Day), Memorial Day, Juneteenth, Independence Day, Labor Day, Indigenous People's Day, Veterans Day, Thanksgiving Day, the day after Thanksgiving, Christmas Eve (December 24) and Christmas Day (December 25), as such holidays are defined in Minnesota Statutes, Section 645.44, Subd. 5 (collectively "Holidays").

- 24.2 All employees shall receive time off for the above-described Holidays, except if an employee is required to work such holiday, such employee shall, in lieu of receiving time off on such holiday, and in addition to their regular pay for such holiday, be compensated at the rate of two (2) times their current basic hourly rate for each hour worked on such Holidays. When the observed Holiday is different than the actual Holiday (i.e., July 4<sup>th</sup> falls on a Saturday so the observed holiday is Friday, July 3), Employees will be paid pursuant to this Section for working on either the actual or observed Holiday, but only one Holiday if they work both. Employees may not earn compensatory time off in lieu of payment for working on Holidays.
- 24.3 Employees shall not also receive overtime pay for working on Holidays.
- 24.4 Employees who cannot get to work because of a snow emergency may use vacation, personal leave, or compensatory time. Employees must notify the Employer prior to the start of work.

ARTICLE 25 - VACATION

- 25.1 Employees who have been Continuously Employed shall accumulate paid vacation in accordance with the following schedule:

<u>Yrs. of Continuous Employment</u>	<u>Hrs./Pay Period</u>	<u>Total Hrs./Year</u>
Commencing 0 through 5 yrs. (inclusive)	3.69	96.00
Commencing 6 through 11 yrs. (inclusive)	5.54	144.00
Commencing 12 through 20 yrs.	7.09	184.32
Over 20 yrs.	8.64	224.64

- 25.2 During any calendar year, there shall be no limitation on the amount of vacation time that any employee may accumulate. However, as of the end of the day on December 31 of each year, employees may only accumulate and carryover into the next year the following maximum amount of vacation hours:

Amount of Accumulated Hours as of December 31 of each year:

<u>Yrs. of Continuous Employment</u>	<u>Max Hours</u>
Commencing 0 through 5 yrs. (inclusive)	144
Commencing 6 through 11 yrs. (inclusive)	216
Commencing 12 through 20 yrs.	280
Over 20 yrs.	336

- 25.3 Use of vacation must be pre-approved by the Employer. Employees may utilize unpaid vacation during their initial six (6) months of employment with prior approval of the Employer.

- 25.4 In the event of death of any Employee, any vacation time accumulated to the credit of such deceased Employee shall be compensated for in cash and shall be paid in accordance with Minnesota Statutes, Section 181.58, and its successors.

#### ARTICLE 26 - SICK LEAVE

- 26.1 Any employee hired on or before April 19, 2005, who has been continuously employed by the Airport Authority for not less than six (6) months shall be deemed to have 960 hours of sick leave with full pay (paid sick leave). Once an employee uses any sick leave, sick leave shall then accrue up to a maximum of 960 hours at the rate of 4 hours per pay period at the first full pay period after returning to work. Any employee hired after April 19, 2005, but before January 1, 2007, who has been continuously employed by the Airport Authority for not less than six (6) months shall accrue 4 hours of paid sick leave per pay period up to a maximum of 480 hours of paid sick leave. Once an employee uses any sick leave, sick leave shall accrue up to a maximum of 480 hours at the rate of 4 hours per pay period at the first full pay period after returning to work. Any employee hired on or after January 1, 2007, who has been continuously employed by the Airport Authority shall accrue 4 hours of paid sick leave per pay period up to a maximum of 240 hours of paid sick leave. Once an employee uses any sick leave, sick leave shall accrue up to a maximum of 240 hours at the rate of 4 hours per pay period at the first full pay period after returning to work. Employees unable to report for duty for any of the reasons specified in Section 3 of this Article shall immediately report such fact to their immediate supervisor. To qualify for paid sick leave, the Employee must report sick leave prior to or within the first thirty (30) minutes of their Shift, but must immediately report off when leaving their worksite.
- 26.2 When an Employee's use of sick leave reasonably appears to be unjustified, the Executive Director may request that the Employee provide a physician's explanation to justify subsequent absences. The request shall be in writing and shall state the reason for the request. The Executive Director's request, in and of itself, shall not be considered disciplinary action. The failure of the Employee to provide the physician's written explanation shall preclude the Employee from further use of paid sick leave for that incident and may be cause for disciplinary action. If disciplinary action results from the use of this article, the discipline shall be taken under the Suspensions, Removal article of this Agreement. The Executive Director's written request shall be reviewed at least every six (6) months from the date it is written, and if sufficient improvement has been made to justify the removal of the letter from the Employee's file, it shall be removed.
- 26.3 The Executive Director may, for work-related reasons stated in writing to the Employee, require an employee to submit to medical examination, paid for by Employer, to determine an Employee's medical fitness to do tasks of employment or to attend work. Employee may refuse the first employer recommended doctor. The

doctor will report only medical information relevant to the fitness for duty information request.

- 26.4 For purposes of this Article, sick leave is defined to mean the absence of an Employee because of illness or injury, exposure to a contagious disease, attendance upon a member of the immediate family, or death in the immediate family of the employee; provided no employee, unless officially assigned to special duty, shall be granted paid sick leave for any injury or illness resulting from any gainful employment on any job which is subject to the provisions of the Workers' Compensation laws of any state, other than regular employment by the Employer.
- 26.5 Sick leave may be utilized pursuant to Minnesota Statute §181.9413. For the purposes of this section, immediate family is defined to include only any parent, child, brother, sister, spouse, grandparent, grandchild, son-in-law, daughter-in-law, brother-in-law, sister-in-law, legal dependent, or ward of the employee, and any parent or grandparent of the Employee's spouse.
- a. Illness in Family. Sick leave may be utilized pursuant to Minnesota Statute §181.9413.
  - b. Funeral Leave. Upon request, a maximum of five (5) days of paid sick leave shall be granted an employee for a death in the immediate family if the distance to the location of the funeral exceeds five hundred (500) miles from Duluth. Upon request, a maximum of three (3) days of paid sick leave shall be granted if the distance to the location of the funeral is less than five hundred (500) miles from Duluth.
  - c. Absence for any funeral of other than a member of the immediate family may be granted on paid sick leave, at the discretion of the supervisor, and shall not exceed one-half (1/2) workday.
  - d. Medical Appointments. An employee must obtain prior approval from the Executive Director for the purpose of medical, dental, or optical examination or treatment, when such examination or treatment cannot be scheduled other than during working hours. Such absence on paid sick leave shall be approved only when the employee has made a diligent effort to have such examination or treatment prior to their normal working hours, after work, or on a day off.
  - e. Paid Sick Leave on Vacation. Paid sick leave will not be allowed during a previously scheduled vacation unless the employee is under the care of a physician because of an unexpected injury or illness and the employee furnishes to the Executive Director a certificate, signed by the physician, indicating the number of days the employee was actually confined to their home or hospital. The employee will then receive paid sick leave for those days spent confined. If the

employee is exposed to a contagious disease and confined under doctor's orders, such employee will be granted paid sick leave in lieu of vacation.

26.6 Whenever an employee is absent on sick leave in excess of three (3) consecutive working days, the Executive Director shall direct such employee to furnish written explanation by a physician to justify such absence on paid sick leave; failure to furnish such written explanation shall preclude such employee from being allowed such absence as paid sick leave. This section shall not apply to funeral leaves.

26.7 Temporary Disability. Any Employee who will be temporarily disabled for a period in excess of ten (10) working days may be offered an assignment at such employee's present rate of pay by the Airport Authority in their present or lower classification the duties of which the employee is able to perform.

If the Airport Authority is not able to provide the Employee such assignment, the employee may continue to remain on paid sick leave. If the assignment is refused by the employee, and justification for the refusal is not provided by the employee's physician, paid sick leave will be denied. Recognizing the varieties of illnesses and injuries and the employee's ability to do the assigned work, each case will be evaluated on an individual basis. In case of dispute, the Employer may use its own physician in making the determination. The Employer reserves the right to review the assignment after every twenty (20) working days and to reassign the employee to their regular duties or extend the period of assignment. The employer may modify job duties or equipment to accommodate an injured or disabled employee's medical restrictions.

26.8 Permanent Non-Duty Disability. An Employee who has a permanent non-duty disability, which prevents them from performing the duties of their job title, may request an investigation by the Personnel Committee for a determination of what duties they may perform and the proper job title these duties fall under. The committee may then recommend to the Executive Director that a recommendation of demotion to the new job title be made.

The Employee may be assigned or transferred temporarily to a lower job title as provided in Section 5 above until the Executive Director takes final action, provided that such assignment shall not result in the denial of promotion to, or the layoff of, an employee.

26.9 Employee Assistance Program. Any approved absence for participation in the Employee's Assistance Program shall be allowed as paid sick leave. When the employee is under the Family Involvement Program, and it requires the spouse and/or the parent of the chemically dependent person to participate in the program, that time spent by the Employee to participate in this program shall be allowed as paid sick leave. As in the case with other paid sick leave, the employee must report off sick

and report the purpose for the use of such paid sick leave, but it will not be necessary for them to go into details.

26.10 Any Employee removed from the payroll through the operation of this article, if they file with the Executive Director at least once every three (3) months a statement from a physician which indicates that they are unable to perform the duties of their position shall be considered to be on leave not to exceed one (1) year and shall be reinstated in their position upon filing with the Executive Director a statement signed by a physician which indicates that they is physically fit to perform the duties of their position, and the physician for such latter statement shall be chosen and compensated by the Employer.

26.11 Effective January 1, 2026, the Employer and Employee will split the premiums associated with the Minnesota Paid Family and Medical Leave, or an equivalent plan, on a 50/50 basis with the employee share payable through payroll deductions pursuant to Minn. Stat. 268B.14.

#### ARTICLE 27 - BLANK ARTICLE

#### ARTICLE 28 - WORKERS' COMPENSATION

28.1 Employees who suffer an injury compensable under the Workers' Compensation Act and are absent from work as a result thereof, shall be paid a total amount by the Employer and/or its Worker's Compensation claims third-party insurer during such absence equal to the difference between the amount they receive pursuant to the Workers' Compensation Act and the amount they would have received if they were regularly employed, subject to the following:

For each day of absence, the Employee shall be charged for one-third (1/3) of a day of sick leave. When the Employee's sick leave and vacation time have been exhausted, they shall no longer receive any salary from the Employer while absent from work.

#### ARTICLE 29 - JURY DUTY

29.1 Employees shall receive a leave of absence with pay for any required appearance for jury duty; provided, however, that if an Employee is released from such duty prior to the expiration of their normal workday, they shall immediately return to their job and continue their duties as an employee.

#### ARTICLE 30 - LEAVES OF ABSENCE

30.1 Any Employee who is mentally or physically incapacitated to perform their duties or who desires to engage in a course of study such as will increase their usefulness on their return to the Airport Authority, or who for any reason considered good by the

Executive Director desires to secure leave from their regular duties, may, on written request approved by the Executive Director be granted special leave of absence without pay for a period not exceeding one (1) year.

- 30.2 Any Employee asking for special leave without pay shall submit their request in writing, at least fifteen (15) calendar days prior to the date the Employee desires the leave, stating the reasons why in the employee's opinion the request should be granted, the date when the employee desires the leave to begin and the probable date of the employee's return.
- 30.3 The Executive Director shall respond within five (5) calendar days of the request for each special leave of absence without pay in writing, stating if the leave is to be approved, whether the employee granted such leave shall be entitled to their former position upon the employee's return from such leave or whether their name shall be placed on a re-employment list for the former position.
- 30.4 No leaves without pay will be granted until the employee has used all accumulated vacation and accrued compensatory leave.
- 30.5 No benefits or seniority shall be lost by the employee during leaves of thirty (30) calendar days or less. No benefits or seniority shall be accrued after the first thirty (30) calendar days of any leave.
- 30.6 Leave of absence without pay for a period of less than thirty (30) calendar days may be granted by the Executive Director.
- 30.7 Any employee, who shall become a member of the armed forces of the United States in time of war or other emergency declared by proper authority, shall be granted a leave of absence for the term of said military service and shall, upon receiving a discharge from such military service, be reinstated to said position, subject to Section 8 below.
- 30.8 Reinstatement of any employee on military leave of absence shall be at the same salary which they would have received had they not taken such leave and shall be upon the following conditions:
  - a. That the position has not been abolished.
  - b. That the employee is not physically or mentally disabled from performing the duties of such position.
  - c. That they make written application for reinstatement to the Executive Director within ninety (90) days after termination of such service.

- d. That they submit to the Executive Director an honorable discharge or other forms of release by proper authority indicating that their military or naval service was satisfactory.
- 30.9 Upon reinstatement of any employee who has been on military leave of absence, said employee shall have the same rights with respect to accrued and future seniority status, efficiency rating, vacation, sick leave, and other benefits as if they had been actually employed during the time of such emergency.
- 30.10 Military leave of absence shall be granted with pay for up to fifteen (15) days per year as required by Minnesota and federal law. Where possible, all military leaves with pay shall be taken while the employee is not working, and no employee under this agreement shall request of the military unit to which the employee is assigned, or the Commander thereof, that the employee be assigned or authorized military duty for which the employee would be entitled to leave with pay from the employer during the time the employee is working.
- 30.11 As required by the Minnesota Public Employees Labor Relations Act (PELRA), Minnesota Statutes Chapter 179A, the Employer shall afford reasonable time off to any employee who is an elected officer or appointed representative of the Union, for the purposes of conducting the duties of the Union, and shall, upon request, provide a leave of absence to any employee who is an elected or appointed official of the Union or who is appointed to its staff.
- 30.12 Any employee who is on leave of absence for the purpose of serving as an officer or representative of the Union shall, upon the request of such employee, receive their regular pay from the Employer while on such leave; however, the Employer shall submit to the Union an invoice for reimbursement of an amount based on such employee's gross hourly rate of pay for such leave, and the Union shall then reimburse the Employer for such amount. The Union shall defend the Employer against any claim for any injury, damage or loss which arises out of and within the scope of such service, and shall indemnify the Employer for any such injury, damage or loss, but such obligation to defend and indemnify the Employer shall not extend to the Employer's obligations to provide paid sick leave under Article 26. No such employee shall receive leave of absence with pay pursuant to this paragraph in excess of a total of thirty (30) working days in any calendar year.

ARTICLE 31 - TRANSFERS OF EMPLOYEES, POSTING OF VACANCIES,  
PROMOTIONS, PROBATION, SERVICE RATINGS

- 31.1 Postings. Notice of all vacancies and newly created positions shall be posted on employee bulletin boards and employees shall be given seven (7) working days to make applications for such positions. The most senior qualified employee making application shall be awarded the position. If no employee applies to fill a vacancy, the Executive Director may assign an employee to fill the vacancy subject to the

employee's approval. If no employee is qualified or if no employee accepts the assignment, the Executive Director may seek a new employee to fill the vacancy.

31.2 Promotion. Promotions shall be defined as the change of an employee from a position of one job title to a position in another job title which requires the performance of more responsible duties and for which a higher rate of pay is prescribed. Senior qualified employees shall be promoted to vacancies and newly created positions before any new employees. Ability, training, experience, and examination requirements shall be the same for "promotional" or "open" positions. Requirements for existing positions with the Authority and for examination for these positions will be those developed by the Employer and copies furnished the union.

31.3 An employee shall serve as an Airport Maintenance I four (4) years and be promoted to an Airport Maintenance II upon passing an Airport Maintenance II test.

If there is a need for Airport Maintenance II and no Airport Maintenance I has completed four (4) years in that grade, the Executive Director shall determine if there is an Airport Maintenance I qualified by prior experience to be eligible to take the Airport Maintenance II exam. The Executive Director's determination may be appealed to the Airport Authority Board in writing.

An employee shall serve four (4) years as an Airport Maintenance I and seven (7) years as an Airport Maintenance II to be eligible to be promoted to an Airport Maintenance III. An Airport Maintenance II must pass a test before being promoted to an Airport Maintenance III.

Employees that wish to apply to transfer between "Airside and Fleet" or "Facilities and Landside" positions during an open vacancy shall be approved by the Executive Director or Designee. While transferring between departments is ideal, the required skill sets and training of each department are unique and must be taken in to consideration. These transfers are not guaranteed.

31.4 Probation. All new employees appointed to a position shall serve a probationary period of one year, during which time they can be discharged without cause. Written notification of termination shall be provided to the employee. An employee may not take any promotional examination while they are in an original probationary period.

31.5 A promoted employee will be subject to a six-month probation period. A transferred employee will be subject to a one-year probation period. (A transfer is a change in jobs that is not a promotion or a demotion.) However, the promoted or transferred employee has thirty (30) days to determine whether they wish to continue in a promoted or transferred status. Within that 30-day period, they may elect to return to their former position without loss of seniority or benefits. The Executive Director may at any time before the expiration date of the probationary period as fixed above, reject for cause, any person promoted or transferred provided that the Executive Director

shall forthwith report to the employee and the Union in writing each rejection on probation status, starting the date the rejection becomes effective and the reasons for this rejection. A person promoted or transferred and then rejected during the probation period shall have the right to assume the position from which they were promoted or transferred.

- 31.6 If an employee has been laid off or demoted without fault on their part, and has completed their probationary period and is appointed to a position in the same job title or another job title in which they have previously served a probation period, they shall not be required to serve a second probationary period. If an employee is laid off or demoted without fault on their part during the probationary period, and is appointed to the same job title from which they were laid off or demoted, the probationary period already served shall be carried over to the new appointment.
- 31.7 Service Ratings. At least once a year, a service rating on each employee will be delivered to the Executive Director. The service ratings may include the quantity and quality of the work performed, the manner in which the work has been performed, attitude, enthusiasm, and willingness to progress. Other factors, as deemed appropriate for a particular assignment may be considered. The employee shall receive a copy of each service rating and confirm receipt of it by signing the rating. The employee's signature does not mean agreement with the rating. The employee shall have the right to appeal the rating to the Executive Director.

#### ARTICLE 32 - SUSPENSION OF EMPLOYEES

- 32.1 The Executive Director may for disciplinary purposes suspend without pay any employee from the performance of their duties for one (1) or more periods aggregating not more than thirty (30) days in a calendar year for just cause.
- 32.2 Prior to suspending a permanent employee, the Executive Director shall offer the affected employee an informal pre-disciplinary (*Loudermill*) hearing with their option to include a Union representative, consisting of the following:
- a. Oral or written notice of the charges against the employee;
  - b. A brief explanation of the evidence supporting the charges;
  - c. An opportunity for the employee to present their side of the story (possible options are face-to-face meeting, written statement, or presentation by Union);
  - d. After hearing the employee's side of the story, the Executive Director may withdraw, reduce, or impose the proposed discipline; and
  - e. The Executive Director shall advise the employee that they can grieve any discipline pursuant to Article 41.

#### ARTICLE 33 - DEMOTIONS

- 33.1 Upon the request of an employee or by the Executive Director, an employee may be reclassified from a higher-paid to a lower-paid job title, which in the discretion of the Executive Director, the employee is eligible to fill.
- 33.2 The Executive Director may demote an employee for just cause. The Executive Director may require said employee to leave the premises of the airport with pay pending their hearing before the Executive Director in this Article. Prior to demoting a permanent employee, the Executive Director shall offer the affected employee an informal pre-disciplinary (*Loudermill*) hearing with their option to include a Union representative, consisting of the following:
- a. Oral or written notice of the charges against the employee;
  - b. A brief explanation of the evidence supporting the charges;
  - c. An opportunity for the employee to present their side of the story (possible options are face-to-face meeting, written statement, or presentation by Union);
  - d. After hearing the employee's side of the story, the Executive Director may withdraw, reduce, or impose the proposed discipline; and
  - e. The Executive Director shall advise the employee that they can grieve any discipline pursuant to Article 41.

#### ARTICLE 34 - REMOVAL OF EMPLOYEES

- 34.1 Except as provided in Article 38, any Employee who has completed their probation period may be removed only for just cause upon written charges. The Executive Director may require said employee to leave the premises of the airport with pay pending their hearing before the Executive Director in this Article. Prior to removing a permanent employee, the Executive Director shall offer the affected employee an informal pre-disciplinary (*Loudermill*) hearing with their option to include a Union representative, consisting of the following:
- a. Oral or written notice of the charges against the employee;
  - b. A brief explanation of the evidence supporting the charges;
  - c. An opportunity for the employee to present their side of the story (possible options are face-to-face meeting, written statement, or presentation by Union);
  - d. After hearing the employee's side of the story, the Executive Director may withdraw, reduce, or impose the proposed discipline; and
  - e. The Executive Director shall advise the employee that they can grieve any discipline pursuant to Article 41.

#### ARTICLE 35 - RESIGNATIONS

- 35.1 Any employee who wishes to resign in good standing shall give the Executive Director written notice of at least four (4) weeks, unless the Executive Director consents to their leaving on shorter notice.

- 35.2 Any employee who has resigned after giving proper notice may, within thirty (30) days after termination of employment, and with the consent of the Executive Director, withdraw their resignation in writing and be restored to the position vacated if it is still vacant or has been filled by a temporary employee; if it is not thus available, they may have their name placed on the re-employment list for the appropriate job title.
- 35.3 Any employee who is absent from duty for three (3) consecutive business days without securing leave from their supervisor or without notifying them of the reason for their absence and the time when they expects to return, or who fails to notify the Executive Director of their readiness to resume their duties within three (3) days after the expiration of a leave of absence, shall be considered to have resigned, and such resignation shall be treated as a resignation without notice and a report thereof made to the Executive Director.

#### ARTICLE 36 - SEPARATION PAY

- 36.1 Employees who separate employment, shall be paid in full on the payroll covering the last day they actually worked for: their salary due, the value of accumulated, unused vacation and personal leave hours, and unused compensatory time off, such value to be calculated based on their Basic Hourly Rate at the time of their separation.

#### ARTICLE 37 - LAYOFFS

- 37.1 When it becomes necessary, because of lack of work or funds, or for other causes for which an employee is not at fault, to reduce the number of employees in a job title within a department, the following procedure shall apply:
- a. All temporary employees shall be laid off first.
    1. Permanent employees who are substituting in a vacant position shall, during any layoff affecting their permanent position or the position for which they are substituting, return to their permanent position.
    2. Permanent employees who are promoted and in the probation period shall, during any layoff affecting their permanent position or the position to which they were promoted, return to their permanent position.
    3. Permanent employees who are on a leave of absence shall, during any layoff affecting their position, return to their permanent position.
  - b. For purposes of layoff, seniority shall be determined by using the employee's original hire date from which they have been continuously employed with the Airport Authority to determine the least senior.

- c. During any layoff that affects a certified or non-certified apprenticeship or training program, all trainees or apprentices shall be laid off until such time as the laid off journey person or an employee who has completed said program has been recalled or withdraws their name from said lists or who has been removed from said list according to Article 38, Sec. 6 and 7.
  - d. Bumping: When an employee is laid off in a job title in the work force, they shall be permitted to exercise their seniority rights to bump (replace an employee with less seniority). Such employee may, if they so desires, bump any employee in the same or lower-paid job title in the same job series, provided the bumping employee has greater seniority than the employee whom they bump, and such bumping shall be accomplished according to the following procedure:
    - 1. When a position in a series of job titles is eliminated, and where an employee is affected, the following bumping procedure shall apply:
      - (a) The employee in that position shall be given the option to bump by seniority (1.c.) into any position in the same job title. If an employee does not have sufficient seniority to maintain a position within their job title, they shall be given the option to bump any employee with less seniority in the next lower job title in that job series.
      - (b) The procedure as described in (Sec. e.1.a.) shall be followed in each lower job title until the least senior employees in the lowest job title in a series within the department are laid off.
      - (c) Any employee who chooses not to exercise their bumping rights shall be placed on the re-employment list.
    - 2. When a position that is not in a series of job titles is eliminated, the least senior (1.c.) employee in that job title shall be laid off.
  - e. Seniority Ties. Where two (2) or more persons in a job title in which a layoff or reduction is to be made have equal seniority in a job title, the order of layoff or reduction in such tie cases shall be determined first by the total time in the job title and second by total time employed by the Authority. If a tie still exists, seniority shall be determined by a toss of a coin.
- 37.2 For the purpose of this article, job title(s) shall be defined to mean the titles listed in Appendix 1 of this agreement.
- 37.3 For the purposes of this article, all series of job titles shall be negotiated by the employer and the Union.

- 37.4 Demotions made in accordance with this article are not subject to the requirements contained in Article 33 - Demotions, but are subject to the grievance procedure, Article 41.
- 37.5 The Executive Director shall notify in writing the employee or employees to be laid off at least ten (10) working days prior to the actual layoff and shall forthwith transmit to the Union the names of those so notified.

#### ARTICLE 38 - RE-EMPLOYMENT LIST

- 38.1 The name of any employee who has been laid off shall be placed on a re-employment list. The Executive Director shall enter on the appropriate re-employment list(s), as provided for in this article, the name(s) of those employees eligible for re-employment and who desire to be re-employed when vacancies occur in the job title(s). The Union shall receive copies of all such lists and shall be notified of any changes on said lists.
- 38.2 The name(s) of any laid off employees shall be arranged on the re-employment list(s) in the following manner:
- a. A list by job title and the department from which the employee was laid off and by arranging said employees name by total seniority with the Airport Authority.
  - b. A list of any lower job title(s) that has been determined to be part of the same job series, as provided for in Article 37, and by arranging said employees' name by total seniority with the Airport Authority.
- 38.3 Employees shall be recalled from the re-employment list according to the following procedure:
1. Sec. 38.2a shall be followed first.
  2. Sec. 38.2b shall be followed second.
- 38.4 Employees who have or could be placed on the re-employment list by other articles of this agreement shall have their name placed on appropriate lists as provided for in this article.
- 38.5 To determine if any employee is interested in remaining on such re-employment list(s), the Executive Director shall, on or about the anniversary date of the layoff and when a position becomes available, contact by certified mail each employee who has not been re-employed. Employees shall have fourteen (14) calendar days to respond by certified mail to the Executive Director if they are interested in accepting a position or if they are still interested in remaining on a reemployment list.
- 38.6 The Executive Director may remove an employee's name from the re-employment list for a position in the job title from which the employee was originally laid off if:

1. The employee indicates they are no longer interested in said position; or,
2. The employee refuses to accept an appointment for such position without giving a satisfactory reason. Employees refusing to accept an appointment for a position in a lower job title than the one from which the employee was originally laid off shall have their names removed from such lower list.

#### ARTICLE 39 - EMPLOYEE SAFETY

39.1 The Employer agrees to maintain sanitary and safe working conditions and to maintain adequate and suitable first aid facilities. The Employer shall furnish and maintain adequate safety equipment per OSHA and/or any other federal and Minnesota law. Employees covered hereby, in the performance of their jobs, shall at all times use safety devices and protective equipment which is furnished to them hereunder and comply with the safety, sanitary, and fire regulations issued by the Employer.

#### ARTICLE 40 - PERSONNEL AND LABOR-MANAGEMENT COMMITTEE

- 40.1 A committee consisting of one (1) representative of the Union and one (1) representative of the Airport Authority shall be established to meet and confer on the following functions during the period of this agreement:
- a. Issues: Unless otherwise stated below, all requests for job audits for the purpose of determining whether the specifications for a job title should be amended, whether certain positions should be reclassified to a different job title, or whether there is a need to establish a new job title to describe an existing position shall be reviewed by the Personnel Committee prior to staff audit work; and
  - b. Collaboratively addressing problems and developing plans for improving the relationships and operation of the organization.
- 40.2 Upon completion of audit work, a copy of the audit shall be sent to the union no later than fourteen (14) calendar days prior to the date it is scheduled on the Airport Authority agenda.
- 40.3 The Union and the Employer shall negotiate the pay rate for (a) any new or modified job specification or title resulting from a job audit; (b) any new position with a new title created unrelated to a job audit.

#### ARTICLE 41 - GRIEVANCE PROCEDURE

41.1 An employee or group of employees with a grievance shall, within twenty-one (21) calendar days after the first occurrence of the event giving rise to the grievance, present such grievance through the Union in writing to the Executive Director.

- 41.2 The Executive Director shall present the Employer's position in writing to the employee or employees and the Union within seven (7) calendar days after receipt of such grievance. The resolution of grievances settled by the procedure set forth in this paragraph shall be reduced to writing and signed by the employee or employees, the Union, and the Employer.
- 41.3 If the grievance is not settled in accordance with the foregoing procedure, the Union may, within nine (9) calendar days after receipt of the reply of the Executive Director submit the grievance to arbitration by serving notice in writing of such submittal upon the Executive Director. The parties shall attempt to agree upon an arbitrator within seven (7) calendar days after submittal of the grievance to arbitration and in the event the parties are unable to agree upon an arbitrator within said seven (7) day period, either party may request a panel of seven (7) arbitrators from the Minnesota Bureau of Mediation Services. The parties shall each have the right to alternately strike one (1) name from the panel. If the parties are unable to agree on who shall strike the first name, the question shall be decided by a flip of the coin. The remaining person shall be the arbitrator. The arbitrator shall be notified of their selection by a joint letter from the parties requesting that they set a time and a place for a hearing on the grievance, subject to the availability of the parties.
- 41.4 The arbitrator shall have no right to amend, modify, nullify, ignore, add to, or subtract from the provisions of this Agreement. They shall consider and decide only the specific issue(s) submitted to them in writing by the parties and shall have no authority to make a decision on any other issue not so submitted to them. More than one grievance may be heard by the same arbitrator by mutual agreement of the parties. Either party may, if it desires, submit a brief to the arbitrator setting forth its position with respect to the issue(s) involved in a grievance. The arbitrator shall be without power to make decisions contrary to or inconsistent with or modifying or varying in any way the application of laws and rules and regulations having the force and effect of law. The arbitrator shall submit their decision in writing to the parties and shall file a copy of such decision with the Bureau of Mediation Services of the State of Minnesota. The decision shall be based solely upon their interpretation of the meaning or application of the express terms of this Agreement to the facts of the grievance presented.
- 41.5 The decision of the arbitrator shall be final and binding upon the parties.
- 41.6 The fees and expenses of the arbitrator shall be divided equally between the parties; provided, however, that each party shall be responsible for compensating its own representatives and witnesses. If either party desires a verbatim record of the arbitration proceedings, it may cause such a record to be made, providing it pays for the record. If both parties desire a verbatim record of such proceedings, the cost shall be shared equally.

- 41.7 If a grievance is not presented within the time limits set forth above, it shall be considered waived. If a grievance is not appealed to the next step within the specified time limit or any agreed extension thereof, it shall be considered settled based on the Employer's last answer. If the Employer does not answer a grievance or an appeal thereof within the specified time limits, the Union may elect to treat the grievance as denied at that step and immediately appeal the grievance to the next step. The time limit in each step may be extended by mutual written agreement of the parties involved in each step.
- 41.8 All documents, communications, and records dealing with a grievance shall be filed separately from the personnel files of the employees involved.
- 41.9 Access to all information necessary to the determination and processing of a grievance shall be made available to all participants to the fullest extent possible under applicable law.

#### ARTICLE 42 - UNION RIGHTS

- 42.1 All new employees shall be informed by the Employer that the Union is the exclusive representative of employees in the unit. The Employer shall provide each new employee with a copy of this Agreement, together with a list of the officers of the Union, and designated steward in the employee's department. All new employees shall also be informed that a fair share fee in lieu of union membership may be charged by the Union as provided by state law.

#### ARTICLE 43 - BLANK ARTICLE

#### ARTICLE 44 - COMPLETE AGREEMENT AND WAIVER OF BARGAINING

- 44.1 The parties acknowledge that the provisions contained in this Agreement constitute the entire agreement between the parties, and that the provisions of this Agreement are not subject to re-negotiation, except with the mutual consent of the parties.

#### ARTICLE 45 - DURATION OF AGREEMENT

- 45.1 This Agreement shall be effective as of January 1, 2026, and shall remain in full force and effect through December 31, 2028, and thereafter as provided by law.

#### ARTICLE 46 - BLANK ARTICLE

#### ARTICLE 47- PART-TIME EMPLOYEES

- 47.1 The part-time employee is an employee who works year-round, and who works approximately 20 hours per week. All paid leave is earned, accrued, and capped at 50% of the full-time rate. The amount of the Employer paid life insurance benefit shall

be 50% of the full-time employee's benefit. The part-time employee may enroll in active health insurance and/or dental insurance but they shall pay half of the Employer's share of the premium and pay 100% of the employee's share of the premium (with no reduction for part-time), for the coverage selected, and all other Employer paid contributions shall be at 50% of the full-time rate. If the part-time employee meets the length of service qualifications set forth in Article 20.1, then any Employer paid retiree health insurance benefit under Article 20 shall be at 50% of the full-time rate.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on January 20, 2026.

**EMPLOYER**

**UNION**

By \_\_\_\_\_  
President, Duluth Airport Authority

By \_\_\_\_\_  
Authorized Representative  
Local 66

By \_\_\_\_\_  
Secretary, Duluth Airport Authority

By \_\_\_\_\_  
Field Representative  
AFSCME Minnesota Council 5

By \_\_\_\_\_  
Northern Field Director  
AFSCME Minnesota Council 5

## APPENDIX 1 - JOB TITLE, RANGE/STEPS

<u>Job Title</u>	<u>Range/Step</u>
Airport Administrative Coordinator	121 A - E
Airport Finance Technician	121 A - E
Airfield Foreman/Maintenance Supervisor	28 A - E
Airport Maintenance III	26 A – E
Airport Maintenance II	24 A - F
Airport Maintenance I	22 A - E
Part-Time Finance Technician	119 A – E
Part-Time Airport Security Specialist	119 A – E

APPENDIX 2 - PAY SCHEDULE EFFECTIVE JANUARY 1, 2026

Range No.		Step A	Step B	Step C	Step D	Step E	Step F
22	Annual	47,403	49,507	51,854	53,958	56,305	
	Monthly	3,950	4,126	4,321	4,496	4,692	
	Hourly	22.7898	23.8013	24.9298	25.9413	27.0698	
23	Annual	49,507	51,854	53,958	56,305	58,996	
	Monthly	4,126	4,321	4,496	4,692	4,916	
	Hourly	23.8013	24.9298	25.9413	27.0698	28.3634	
24	Annual	51,854	53,958	56,305	58,996	61,615	64,435
	Monthly	4,321	4,496	4,692	4,916	5,135	5,370
	Hourly	24.9298	25.9413	27.0698	28.3634	29.6226	30.9782
25	Annual	53,958	56,305	58,996	61,615	64,435	
	Monthly	4,496	4,692	4,916	5,135	5,370	
	Hourly	25.9413	27.0698	28.3634	29.6226	30.9782	
26	Annual	56,305	58,996	61,615	64,435	67,097	
	Monthly	4,692	4,916	5,135	5,370	5,591	
	Hourly	27.0698	28.3634	29.6226	30.9782	32.2581	
27	Annual	58,996	61,615	64,435	67,097	70,217	
	Monthly	4,916	5,135	5,370	5,591	5,851	
	Hourly	28.3634	29.6226	30.9782	32.2581	33.7581	
28	Annual	61,615	64,435	67,097	70,217	73,409	
	Monthly	5,135	5,370	5,591	5,851	6,117	
	Hourly	29.6226	30.9782	32.2581	33.7581	35.2926	
29	Annual	64,435	67,097	70,217	73,409	76,858	
	Monthly	5,370	5,591	5,851	6,117	6,405	
	Hourly	30.9782	32.2581	33.7581	35.2926	36.9509	
117	Annual	42,837	44,712	46,415	48,376	50,451	
	Monthly	3,570	3,726	3,868	4,031	4,204	
	Hourly	20.5948	21.4962	22.3150	23.2577	24.2555	
118	Annual	44,712	46,415	48,376	50,451	52,527	
	Monthly	3,726	3,868	4,031	4,204	4,377	
	Hourly	21.4962	22.3150	23.2577	24.2555	25.2532	
119	Annual	46,415	48,376	50,451	52,527	54,716	
	Monthly	3,868	4,031	4,204	4,377	4,560	
	Hourly	22.3150	23.2577	24.2555	25.2532	26.3060	
120	Annual	48,376	50,451	52,527	54,716	57,035	59,769
	Monthly	4,031	4,204	4,377	4,560	4,753	4,981
	Hourly	23.2577	24.2555	25.2532	26.3060	27.4207	28.7350
121	Annual	55,618	58,409	61,257	64,091	66,925	
	Monthly	4,635	4,867	5,105	5,341	5,577	
	Hourly	26.7395	28.0813	29.4506	30.8131	32.1755	

APPENDIX 3 - PAY SCHEDULE EFFECTIVE JANUARY 1, 2027

Range No.		Step A	Step B	Step C	Step D	Step E	Step F
22	Annual	49,773	51,982	54,447	56,656	59,120	
	Monthly	4,148	4,332	4,537	4,721	4,927	
	Hourly	23.9293	24.9914	26.1763	27.2384	28.4233	
23	Annual	51,982	54,447	56,656	59,120	61,946	
	Monthly	4,332	4,537	4,721	4,927	5,162	
	Hourly	24.9914	26.1763	27.2384	28.4233	29.7816	
24	Annual	54,447	56,656	59,120	61,946	64,696	67,656
	Monthly	4,537	4,721	4,927	5,162	5,391	5,638
	Hourly	26.1763	27.2384	28.4233	29.7816	31.1038	32.5271
25	Annual	56,656	59,120	61,946	64,696	67,656	
	Monthly	4,721	4,927	5,162	5,391	5,638	
	Hourly	27.2384	28.4233	29.7816	31.1038	32.5271	
26	Annual	59,120	61,946	64,696	67,656	70,452	
	Monthly	4,927	5,162	5,391	5,638	5,871	
	Hourly	28.4233	29.7816	31.1038	32.5271	33.8710	
27	Annual	61,946	64,696	67,656	70,452	73,728	
	Monthly	5,162	5,391	5,638	5,871	6,144	
	Hourly	29.7816	31.1038	32.5271	33.8710	35.4460	
28	Annual	64,696	67,656	70,452	73,728	77,079	
	Monthly	5,391	5,638	5,871	6,144	6,423	
	Hourly	31.1038	32.5271	33.8710	35.4460	37.0572	
29	Annual	67,656	70,452	73,728	77,079	80,701	
	Monthly	5,638	5,871	6,144	6,423	6,725	
	Hourly	32.5271	33.8710	35.4460	37.0572	38.7984	
117	Annual	44,979	46,948	48,736	50,795	52,974	
	Monthly	3,748	3,912	4,061	4,233	4,414	
	Hourly	21.6245	22.5710	23.4308	24.4206	25.4682	
118	Annual	46,948	48,736	50,795	52,974	55,153	
	Monthly	3,912	4,061	4,233	4,414	4,596	
	Hourly	22.5710	23.4308	24.4206	25.4682	26.5159	
119	Annual	48,736	50,795	52,974	55,153	57,452	
	Monthly	4,061	4,233	4,414	4,596	4,788	
	Hourly	23.4308	24.4206	25.4682	26.5159	27.6213	
120	Annual	50,795	52,974	55,153	57,452	59,887	62,757
	Monthly	4,233	4,414	4,596	4,788	4,991	5,230
	Hourly	24.4206	25.4682	26.5159	27.6213	28.7918	30.1717
121	Annual	58,399	61,330	64,320	67,296	70,271	
	Monthly	4,867	5,111	5,360	5,608	5,856	
	Hourly	28.0765	29.4854	30.9231	32.3537	33.7843	

APPENDIX 4 - PAY SCHEDULE EFFECTIVE JANUARY 1, 2028

Range No.		Step A	Step B	Step C	Step D	Step E	Step F
22	Annual	52,262	54,581	57,169	59,489	62,076	
	Monthly	4,355	4,548	4,764	4,957	5,173	
	Hourly	25.1258	26.2410	27.4851	28.6003	29.8445	
23	Annual	54,581	57,169	59,489	62,076	65,043	
	Monthly	4,548	4,764	4,957	5,173	5,420	
	Hourly	26.2410	27.4851	28.6003	29.8445	31.2707	
24	Annual	57,169	59,489	62,076	65,043	67,931	71,039
	Monthly	4,764	4,957	5,173	5,420	5,661	5,920
	Hourly	27.4851	28.6003	29.8445	31.2707	32.6590	34.1535
25	Annual	59,489	62,076	65,043	67,931	71,039	
	Monthly	4,957	5,173	5,420	5,661	5,920	
	Hourly	28.6003	29.8445	31.2707	32.6590	34.1535	
26	Annual	62,076	65,043	67,931	71,039	73,974	
	Monthly	5,173	5,420	5,661	5,920	6,165	
	Hourly	29.8445	31.2707	32.6590	34.1535	35.5645	
27	Annual	65,043	67,931	71,039	73,974	77,414	
	Monthly	5,420	5,661	5,920	6,165	6,451	
	Hourly	31.2707	32.6590	34.1535	35.5645	37.2183	
28	Annual	67,931	71,039	73,974	77,414	80,933	
	Monthly	5,661	5,920	6,165	6,451	6,744	
	Hourly	32.6590	34.1535	35.5645	37.2183	38.9101	
29	Annual	71,039	73,974	77,414	80,933	84,736	
	Monthly	5,920	6,165	6,451	6,744	7,061	
	Hourly	34.1535	35.5645	37.2183	38.9101	40.7384	
117	Annual	47,228	49,295	51,173	53,335	55,623	
	Monthly	3,936	4,108	4,264	4,445	4,635	
	Hourly	22.7058	23.6996	24.6023	25.6416	26.7417	
118	Annual	49,295	51,173	53,335	55,623	57,911	
	Monthly	4,108	4,264	4,445	4,635	4,826	
	Hourly	23.6996	24.6023	25.6416	26.7417	27.8417	
119	Annual	51,173	53,335	55,623	57,911	60,325	
	Monthly	4,264	4,445	4,635	4,826	5,027	
	Hourly	24.6023	25.6416	26.7417	27.8417	29.0024	
120	Annual	53,335	55,623	57,911	60,325	62,881	65,895
	Monthly	4,445	4,635	4,826	5,027	5,240	5,491
	Hourly	25.6416	26.7417	27.8417	29.0024	30.2314	31.6803
121	Annual	61,319	64,396	67,536	70,660	73,785	
	Monthly	5,110	5,366	5,628	5,888	6,149	
	Hourly	29.4803	30.9596	32.4693	33.9714	35.4735	

EMPLOYEE SENIORITY LIST

	<u>Employee Number</u>	<u>Hire Date</u>	<u>Seniority Date</u>
<u>Airfield Foreman</u> Paul Sinnott	568	10/20/97	06/30/08
<u>Maintenance Supervisor</u> Dan Taylor	938	06/04/01	05/02/04
<u>Airport Maintenance III</u> Matthew Johnson	1243	03/29/04	07/01/13
Roger Engelmeier	2983	11/17/08	11/17/12
<u>Airport Maintenance II – Airside &amp; Fleet</u> Wade Cossalter	2368	08/13/12	08/13/16
Derek Anderson	4261	01/05/15	01/05/19
Justin Tibodeau	5544	09/07/2021	09/07/2025
<u>Airport Maintenance II – Facilities &amp; Landside</u> John Orrey	4734	01/07/15	01/07/15
<u>Airport Maintenance I – Airside &amp; Fleet</u> Jacob Ruzynski	7138	08/07/2023	08/07/2023
Jon Grillo	7638	12/09/2024	12/09/2024
Brady Leiser	7741	08/13/2025	08/13/2025
David Skur	7826	12/17/2025	12/17/2025
<u>Airport Maintenance I – Facilities &amp; Landside</u> Isaiah Chiles	7510	09/30/2024	09/30/2024
<u>Administrative Coordinator</u> Aimee Bone	7495	09/03/2024	09/03/2024
<u>Finance Technician</u> Jennifer Delnay	7137	08/07/2023	07012024

VII - B.

**Resolution Approving the Creation of a Duluth Airport Authority Task Force on Land Development and Planning**

WHEREAS, the Duluth Airport Authority (DAA) recognizes the strategic importance of planning, land development, and long-term property stewardship to the mission and financial sustainability of the organization; and

WHEREAS, the DAA finds it necessary to establish a focused body to evaluate opportunities, identify risks, and provide recommendations related to land use, acquisition, development, zoning, infrastructure, and associated strategic initiatives; and

WHEREAS, the DAA authorizes the Executive Director to create the Planning and Land Development Task Force pursuant to its authority under the Laws of Minnesota 1969, Chapter 577, Section 3, Subdivision 7; and

WHEREAS, pursuant to this grant of authority over the Planning and Land Development Task Force, the Executive Director shall be responsible for any and all work conducted by the Planning and Land Development Task Force; and

WHEREAS, the duties of the Planning and Land Development Task Force shall be limited to performing due diligence and advising the Executive Director on items related to land use, acquisition, development, zoning, infrastructure, and lease terms; and

WHEREAS, the members appointed to the Task Force shall serve on a voluntary basis and shall not be entitled to compensation for their participation on the Task Force; and

WHEREAS, the Executive Director shall, within a reasonable timeframe following the passage of this resolution, report to the DAA the list of persons on such Task Force.

NOW, THEREFORE, BE IT RESOLVED, that the DAA hereby authorizes the creation of a Task Force for Planning and Land Development (“Task Force”); and

FURTHER RESOLVED, that the DAA authorizes the Executive Director to name any DAA employee, board member, or private consultant to the Task Force; and

FURTHER RESOLVED, that the Task Force shall cease to exist when the Executive Director deems it necessary.

Approved by the Duluth Airport Authority this 20<sup>th</sup> day of January 2026.

\_\_\_\_\_  
President  
Duluth Airport Authority

\_\_\_\_\_  
Date

\_\_\_\_\_  
Secretary  
Duluth Airport Authority

\_\_\_\_\_  
Date

VII. - C.

Duluth Airport Authority  
United States of America Minnesota Air National Guard  
Airport Joint Use Agreement (AJUA)

**Terms:**

- 10 years

**Background:**

- The AJUA provides the lease for the MN Air National Guard to operate at DLH and use of the facilities. It also outlines the responsibilities of each party.
- The DAA has been working with the Air National Guard since early 2025 on this renewal agreement.
- Previous AJUA with a 10-year term expired September 2025.

**Agreement Overview:**

- Agreement is Department of Defense (DOD) new standard AJUA.

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# **AIRPORT JOINT USE AGREEMENT**

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BETWEEN

**DULUTH AIRPORT AUTHORITY**

AND

**UNITED STATES OF AMERICA**

AND

**STATE OF MINNESOTA**

**(DULUTH INTERNATIONAL AIRPORT)**

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## **AIRPORT JOINT USE AGREEMENT**

THIS AGREEMENT is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2026, by and between DULUTH AIRPORT AUTHORITY (hereafter “Authority”); and the UNITED STATES OF AMERICA, acting by and through the Chief, National Guard Bureau (Air Force), and the STATE OF MINNESOTA, (the “State”) acting by and through its Adjutant General (collectively, "Government"). The Authority, Air Force, and State are sometimes referred to collectively in this Agreement as the “Parties” and individually referred to as a “Party.”

### **RECITALS**

A. The Authority owns and operates the Duluth International Airport ("Airport"), located in the City of Duluth, in the County of St. Louis and State of Minnesota.

B. Title 49, United States Code, Chapter 471, "Airport Development," (49 U.S.C. Sections 47101-47129), provides that each of the Airport's facilities developed with financial assistance from the United States Government (USG) and each of the Airport's facilities usable for the landing and taking off of aircraft always will be available without charge for use by USG aircraft in common with other aircraft, except that if the use is substantial, the Government may be charged a reasonable share, proportionate to the use, of the cost of operating and maintaining the facility used.

C. The Government requires substantial use of the flying facilities at the Airport for Duluth Air National Guard, 148<sup>th</sup> Fighter Wing, as well as for other occasional transient government aircraft. For the purpose of this Agreement, 148<sup>th</sup> Fighter Wing Operations includes all training and operational missions that are operated by the 148<sup>th</sup> Fighter Wing (foreign and domestic) as has been reported historically by the 148<sup>th</sup> Fighter Wing to the Authority.

D. The Authority is agreeable to such substantial use, in common with other users of the Airport, of the flying facilities by the Government under this Agreement.

E. The joint use payment required in paragraph 5 below represents the proportionate share of 148<sup>th</sup> Fighter Wing Air National Guard's “substantial use” of the Airport and does not include other transient military and/ or United States aircraft use of the Jointly Used Flying Facilities not reported historically by the 148<sup>th</sup> Fighter Wing to the Authority as part of 148<sup>th</sup> Wing Operations. The Parties agree that the Authority has primary responsibility to identify and advise other United States Government users that appropriate charges will result from use of the Airport.

F. The Air Force agrees to make a good faith effort based on its available records, if any, and/or information provided by the Authority or by the Airport's control tower to support the Authority's efforts to identify other USG users. All Parties agree that the Authority's efforts to identify all USG aircraft landing at the Airport is intended to allow full reimbursement to the Authority for the proportionate share of the total USG users (assigned and transient) for the Jointly Used Flying Facilities, as that term is defined below. The Parties agree that renewal of this

Agreement will not be delayed if the Authority, through its best efforts, is unable to identify other transient USG aircraft landing at the Airport.

G. In accordance with Air Force policy, there shall only be one agreement supporting Air Force military operations for each civil airport used. When more than one Air Force unit regularly uses an airport, the Deputy Assistant Secretary of the Air Force (Installations) will designate a lead unit (normally the Air National Guard through the National Guard Bureau) who will attempt to account for the use by all Air Force activities and be the lead in discussions with the Authority. Any Air Force user that refuses, fails to participate, or does not reply to requests from the Deputy Assistant Secretary of the Air Force (Installations) or his or her representative will be directed to terminate operations at the Airport.

H. All non-Air National Guard/Air Force users will be billed directly by the Authority and pay their fair share, proportionate to their use, directly to the Authority. All other USG agencies including other branches of the U.S. military will need to work directly with the Authority to pay their fair share, proportionate to their use, of the cost of operating and maintaining the Jointly Used Flying Facilities. Those users that refuse, fail to participate, or do not reply to requests from the Authority will be directed by the appropriate authority to terminate operations at the Airport.

I. The Government and the Authority desire to provide for the delineation of responsibility for operation and maintenance of the flying facilities used in common with others at the Airport, and to establish the Government's reasonable share, proportional to such use, of the cost of operating and maintaining such jointly used flying facilities as outlined in paragraph 5 herein.

#### **AGREEMENT:**

THEREFORE, the Parties agree as follows:

### **1. DEFINITIONS**

A. For purposes of this Agreement, the Jointly Used Flying Facilities at the Airport as depicted and attached hereto as Exhibit "A", means the runways, taxiways, lighting systems, navigational aids, markings and appurtenances open to public use and used by the Government, including all improvements and facilities pertaining thereto and situated thereon and all future additions, improvements, and facilities thereto as may be added or constructed from time to time. The Jointly Used Facilities do not include land areas used exclusively by the Government or the terminal buildings, hangars, aircraft parking aprons and ramps, or other areas or structures used exclusively by the Authority or its lessees, permittees, or licensees for civilian or commercial purposes.

B. Implementing 49 U.S.C. § 47107(a)(11), 14 United States Code of Federal Regulation Part 152, Appendix D, paragraph 26, Federal Aviation Administration (FAA) Airport

Compliance Manual Order 5190.6B, § 7.14(a) and § 3.20(a); Grant Assurance 27 (Use by Federal Government Aircraft); define “substantial use” as the existence of one of the following conditions: (1) five or more federal government aircraft are regularly based at the airport or land adjacent to the airport, (2) federal government aircraft make 300 or more total calendar month operations (each landing and takeoff is a separate operation), (3) the gross cumulative weight of federal government aircraft using the airport in a calendar month exceeds 5,000,000 pounds (total operations of federal government aircraft multiplied by the gross certified weights of such aircraft). “Federal government aircraft” means the collective use by United States aircraft and not individual branches or bureaus of the United States military, for purposes for defining *substantial use* only, herein.

## **2. JOINT USE**

Subject to the terms and conditions of this Agreement, the Government shall have the use, in common with other users of the Airport, present and prospective, of the Jointly Used Flying Facilities, together with all necessary and convenient rights of ingress and egress to and from the Jointly Used Flying Facilities and the Air National Guard installation and other Government facilities located on the Airport. Routes for ingress and egress for the Government's employees, agents, customers and contractors shall not unduly restrict the Government in its operations.

## **3. AUTHORITY RESPONSIBILITIES**

The Authority will be responsible for the performance of the following services and functions, to standards in accordance with Paragraph 6 below:

a. Furnishing all personnel, materials and equipment required in the rendering of the services to be provided under the Agreement.

b. Performing any and all maintenance of the Jointly Used Flying Facilities, including but not limited to:

(1) Joint sealing, crack repair, surface repairs, airfield markings and repair or replacement of damaged sections of airfield and taxiway pavements that are not owned by the 148<sup>th</sup> FW.

(2) Runway, taxiway, and approach lighting and the regulators and controls therefor, other than those owned, operated and maintained by the Federal Aviation Administration (FAA);

(3) Beacons, obstruction lights, wind indicators, and other navigational aids, other than those owned, operated and maintained by the FAA;

(4) Grass cutting and grounds care, drainage, and dust and erosion control of unpaved areas, adjacent to runways and taxiways;

(5) Sweeping runways and taxiways;

(6) Controlling insects and pests;

(7) Removing snow, ice and other hazards from runways and taxiways within a reasonable time after such runways and taxiways have been so encumbered and upon request and in accordance with the local operating agreement, sanding and removing snow from the Government fire station access area to runways and taxiways.

c. Furnishing utilities necessary to operate the Jointly Used Flying Facilities.

d. Removing disabled civil aircraft as expeditiously as possible, subject to the rules and regulations of the National Transportation Safety Board, in order to minimize the length of time the Jointly Used Flying Facilities, or any part thereof, would be closed because of such aircraft.

#### **4. GOVERNMENT RESPONSIBILITIES**

The Government (with assistance from the State, as applicable) will be responsible for the following:

a. Removing disabled Air Force aircraft as expeditiously as possible in order to minimize the length of time the Jointly Used Flying Facilities, or any part thereof, would be closed because of such aircraft.

b. Subject to availability of appropriations therefor, in accordance with 28 U.S.C. Chapter 171, Authority claims for repairing damage to the Jointly Used Flying Facilities to the extent that such damage is caused solely by Air Force aircraft operations and is in excess of the fair wear and tear, see Exhibit "B" Standard Form 95.

c. Providing notice of routine maintenance and repairs on the Government-owned airfield lighting equipment including, but not limited to burned-out or broken lamps, cords, sockets, brackets, and aircraft arresting equipment exclusively used by the Air Force.

d. Providing aircraft rescue and firefighting services, subject to Paragraph 8 of the Agreement.

e. Removing snow, ice and other hazards from runways and taxiways exclusively used by the Government to include POL access roads and Government aircraft parking ramps. The government is responsible for snow removal on taxiways Echo, Foxtrot and Hotel. Government is responsible for snow removal on Taxiway Hotel from military aircraft only signs to government aircraft parking apron.

## **5. PAYMENTS**

a. In consideration of and for the faithful performance of this Agreement, and subject to the availability of Federal and State appropriations the Government, shall pay to the Authority a proportionate share of the cost of operating and maintaining (O&M) the Jointly Used Flying Facilities. As the Government provides aircraft rescue and firefighting services for the civil aircraft are provided at no additional cost to the Authority, and the value of the Government's proportionate share of O&M cost is equal to the Authority cost-avoidance for the provided services, no payment is required from the Government. For accounting purposes only, for the Ten (10) Year period beginning October 1, 2025, and ending September 30, 2035, a one-time nominal amount of One Hundred Dollars and 00/100 (\$100.00) will be paid by the Government.

b. Payments for the periods set out in Paragraph 5a above shall be made upon submission of appropriate invoices to the Government as designated in Paragraph 5c below; provided, however, that if during the term of this Agreement, sufficient funds are not available through the annual appropriations at the beginning of any fiscal year to carry out the provisions of this Agreement, the Government will so notify the Authority in writing.

c. Bills for the payments provided hereunder shall be directed to:

148 Fighter Wing/ CE  
4630 Mustang Drive  
Duluth, Minnesota 55811-6036

or to such other address as the Government may from time to time provide to the Authority in writing.

d. Each or Any Party may request renegotiation of this Agreement if either Party require services not contemplated by this Agreement or proposes to reduce or eliminate services or responsibilities it undertakes to provide under this Agreement.

## **6. AIRFIELD MANAGEMENT**

a. The Authority agrees that maintenance of the Jointly Used Flying Facilities shall, at all times, be in accordance with FAA standards for the operation of a commercial airport and operation of jet aircraft.

b. The Government agrees that any markings and equipment installed by it pursuant to Paragraph 7 of the Agreement shall not be in conflict with FAA standards and shall be coordinated with the Authority in advance.

c. The Government acknowledges that the Authority has the responsibility for orderly and efficient operation of the Airport for civil aviation purposes in accordance with established requirements. The Parties will cooperate with each other to the extent practicable, consistent with military operations as determined by the Government, to promote such orderly and efficient Airport operations.

## **7. GOVERNMENT RESERVED RIGHTS**

The Government reserves the right, at its sole cost and expense and subject to Paragraph 6b above, to:

a. Provide and maintain in the Jointly Used Flying Facilities airfield markings required solely for military aircraft operations.

b. With prior written notice to the Authority of not less than ninety (90) calendar days, install, operate and maintain in the Jointly Used Flying Facilities any and all additional equipment, necessary for the safe and efficient operation of military aircraft including but not limited to arresting systems and navigational aids.

c. Any markings or equipment installed, used or maintained by the Government pursuant to this Section 7 shall not be in conflict with all applicable FAA regulations and standards.

## **8. INDEMNIFICATION FOR AIRCRAFT RESCUE AND FIRE FIGHTING**

a. The Government maintains an aircraft rescue and firefighting organization in support of military operations at the Airport. Within the limits of the existing capabilities of this organization, the Government agrees to respond to aircraft rescue and firefighting emergencies involving civil aircraft, subject to subparagraphs 8b, 8c, and 8d below.

b. The Authority agrees to release, acquit, and forever discharge the Government, its officers, agents, and employees for all liability arising out of or connected with the use of or failure to supply in individual cases, Government aircraft rescue and firefighting equipment or personnel for aircraft rescue and firefighting activities at or in the vicinity of the Airport. The Authority further agrees to the extent allowed under applicable law to indemnify, defend, and hold harmless the Government, its officers, agents, and employees against any and all claims, of whatever description, arising out of or connected with such use of or failure to supply in individual cases, Government aircraft rescue and firefighting equipment or personnel, except where such claims arise out of or result from the gross negligence or willful misconduct of the officers, agents, or employees of the United States, without contributory fault on the part of any person, firm, or corporation. Furthermore, the Authority agrees to indemnify and hold harmless the United States from any liability that may arise from the use of fire-fighting foams, chemicals, or other materials by the Air

Force in providing fire protection services to the Authority, which agreement to indemnify and hold harmless includes, but is not limited to, such uses that may result in hazardous substance exposure or pollution of or contamination to air, land, water, person or property or such uses that may result in response actions under CERCLA, RCRA, or any other federal, state, or local laws, except where such claims arise out of or result from the gross negligence or willful misconduct of the officers, agents, or employees of the United States. The Authority agrees to execute and maintain in effect a hold harmless agreement as required by applicable Air Force instructions for all periods during which emergency aircraft rescue and firefighting service is provided to civil aircraft by the Government. This provision shall survive the termination or expiration of this Agreement.

c. The Authority will reimburse the Government for expenses incurred by the Government for aircraft rescue and firefighting materials, specifically firefighting foam, expended in connection with providing such service to civil aircraft, if requested by the Government.

d. The Government's responsibility under this Paragraph 8 shall continue only so long as an aircraft rescue and firefighting organization is authorized for military operations at the Airport. The Government shall have no obligation to maintain any aircraft rescue and firefighting or to provide any increase in aircraft rescue and firefighting equipment or personnel or to conduct any training or inspection for the purposes of this Paragraph. It is further understood that the Government's aircraft rescue and firefighting equipment shall not be routinely parked on the Jointly Use Flying Facilities during non-emergency landings of civil aircraft.

## **9. RECORDS AND BOOKS OF ACCOUNT**

The Authority agrees to keep records and books of account, showing the actual cost to it of all items of labor, materials, equipment, supplies, services, and other expenditures made in fulfilling the obligations of this Agreement. The Comptroller General of the United States or any of his or her duly authorized representatives shall, until the expiration of three (3) years after final payment, have access at all times to such records and books of account, or to any directly pertinent books, documents, papers, and records of any of the Authority's contractors or subcontractors engaged in the performance of and involving transactions related to this Agreement. The Authority further agrees that representatives of the Air Force Audit Agency or any other designated representative of the Government shall have the same right of access to such records, books of account, documents and papers as is available to the Comptroller General.

## **10. TERM**

This Agreement shall be effective for a term of ten (10) years beginning October 1, 2025, and ending on September 30, 2035.

## **11. TERMINATION**

a. This Agreement may be terminated by the Government with or without cause at any time by giving at least ninety (90) days' notice thereof in writing to the other Parties.

b. The Government, by giving written notice to the Authority, may terminate the right of the Authority to proceed under this Agreement if it is found, after notice and hearing by the Secretary of the Air Force or his or her duly authorized representative, that gratuities in the form of entertainment, gifts, or otherwise, were offered or given by the Authority, or any agent or representative of the Authority, to any officer or employee of the Government with a view toward securing this Agreement or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performing of such agreement, provided that the existence of the facts upon which the Secretary of the Air Force or his or her duly authorized representative makes such findings shall be an issue and may be reviewed in any competent court.

c. In the event this Agreement is terminated as provided in subparagraph 11b above, the Government shall be entitled to pursue the same remedies against the Authority as the Government could pursue in the event of a breach of the Agreement by the Authority and in addition to any other damages to which it may be entitled by law, the Federal Government shall be entitled to exemplary damages in an amount (as determined by the Secretary of the Air Force or his or her duly authorized representative) which shall be not less than three (3) or more than ten (10) times the costs incurred by the Authority in providing any such gratuities to any such officer or employee.

d. The rights and remedies of the Government provided in subparagraph 11c above shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

## **12. GENERAL PROVISIONS**

a. **Compliance with Law.** The Authority shall comply with all Federal, state and local laws, rules and regulations applicable to the activities conducted under this Agreement.

b. **Assignment.** The Authority shall neither transfer nor assign this Agreement without the prior written consent of the Government, which shall not be unreasonably withheld or delayed.

c. **Liability.** Except as otherwise provided in this Agreement, neither Party shall be liable for damages to property or injuries to persons arising from acts of the other in the use of the Jointly Used Flying Facilities or occurring as a consequence of the performance of responsibilities under this Agreement.

d. Third Party Benefit. No member or delegate to Congress shall be admitted to any share or part of this Agreement or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this Agreement if made with a corporation for its general benefit.

e. Entire Agreement. It is expressly agreed that this written instrument embodies the entire financial arrangement and agreement of the Parties regarding the use of the Jointly Used Flying Facilities by the Government, and there are no understandings or agreements, verbal or otherwise, between the Parties in regard to it except as expressly set forth herein. Specifically, no landing fees or other fees not provided in this Agreement will be assessed by the Authority against the Government in the use of the Jointly Used Flying Facilities during the term of this Agreement.

f. Modification. This Agreement may only be modified or amended by mutual agreement of the Parties in writing and signed by each of the Parties hereto.

g. Waiver. The failure of any Party to insist, in any one or more instances, upon the strict performance of any of the terms, conditions, covenants, or provisions of this Agreement shall not be construed as a waiver or relinquishment of the right to the future performance of any such terms, conditions, covenants, or provisions. No provision of this Agreement shall be deemed to have been waived by any Party unless such waiver be in writing signed by such Party.

h. Paragraph Headings; Recitals. The brief headings or titles preceding each Paragraph and subparagraph are merely for purposes of identification, convenience, and ease of reference, and will be completely disregarded in the construction of this Agreement. Each of the recitals set forth above are hereby incorporated into the Parties' Agreement as if fully restated herein.

i. Executory Clause. In accordance with 31 U.S.C. § 1341, the Government shall have no responsibility under this Agreement to the Authority or to anyone else beyond funds appropriated and available for this Agreement.

j. Jurisdiction and Governing Law. The Agreement shall be governed and construed with the laws of the State of Minnesota, and the federal laws of the United States of America. In the event that this Agreement, or any portion of it, or the operations contemplated by it are found to be inconsistent with or contrary to laws or official orders, rules, or regulations of the United States, then the laws of the United States shall control. This Agreement then shall be modified accordingly, and, as so modified, shall continue in full force and effect. The federal courts shall have jurisdiction for this Agreement.

k. Construction. This Agreement is intended to express the mutual intent of the Parties and, irrespective of the identity of the Party preparing this Agreement or any document or

instrument referred to herein, no rule of strict construction against the Party preparing a document shall be applied.

1. Signing Authority. Each Party represents and warrants to the other Party that the individuals signing this Agreement on behalf of such Party are authorized to do so and the Party has secured all necessary approvals and authorizations prior to the signing of this Agreement.

### **13. MAJOR REPAIRS AND NEW CONSTRUCTION**

a. Major repair projects and/or new construction projects required for the Jointly Used Flying Facilities (collectively, "Joint Use Projects") are not included under this Agreement. Any Government contribution to Joint Use Projects shall be the subject of separate negotiations and written agreement between the Authority and the Government at such time as the work is required. Any Government participation in the costs of Joint Use Projects is subject to the availability of Federal funds for such purpose at the time the work is required.

### **14. NOTICES**

No notice, order, direction, determination, requirement, consent or approval under this Agreement shall be of any effect unless it is in writing and addressed as provided herein.

a. Written communications to the Authority shall be addressed to:

Executive Director  
Duluth Airport Authority  
4701 Grinden Drive  
Duluth International Airport  
Duluth, Minnesota 55811

b. Written communications to the Government shall be in duplicate with copies to the United States of America and the State of Minnesota addressed respectively, as follows:

To the United States of America:

NGB/A4  
3501 Fetchet Avenue  
Joint Base Andrews, Maryland 20762-5157

To the State of Minnesota:

The Adjutant General  
Department of Military Affairs  
Veterans Services Building  
20 West 12<sup>th</sup> Street – 4<sup>th</sup> Floor W.  
St. Paul, Minnesota 55155-2098  
Minnesota 06105-3780

## **15. CHANGED CIRCUMSTANCES**

The Parties acknowledge that compliance with any federal legislative action or other federal Executive action (whether issued before or after the effective date of this Agreement) affecting this Airport Joint Use Agreement, including but not limited to (i) Base Realignment and Closure Act or (ii) modification of ANG mission, or Secretary of the Air Force basing decisions may require that amendment(s) be made to this Airport Joint Use Agreement.

**~ BALANCE OF PAGE INTENTIONALLY LEFT BLANK~**

IN WITNESS WHEREOF, the respective duly authorized representatives of the Parties hereto have executed this Airport Joint Use Agreement on the date set forth opposite their respective signatures.

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

DULUTH AIRPORT AUTHORITY

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

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

STATE OF MINNESOTA

Coordinated with:

\_\_\_\_\_  
U.S. Property & Fiscal Officer

By: \_\_\_\_\_  
The Adjutant General

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

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

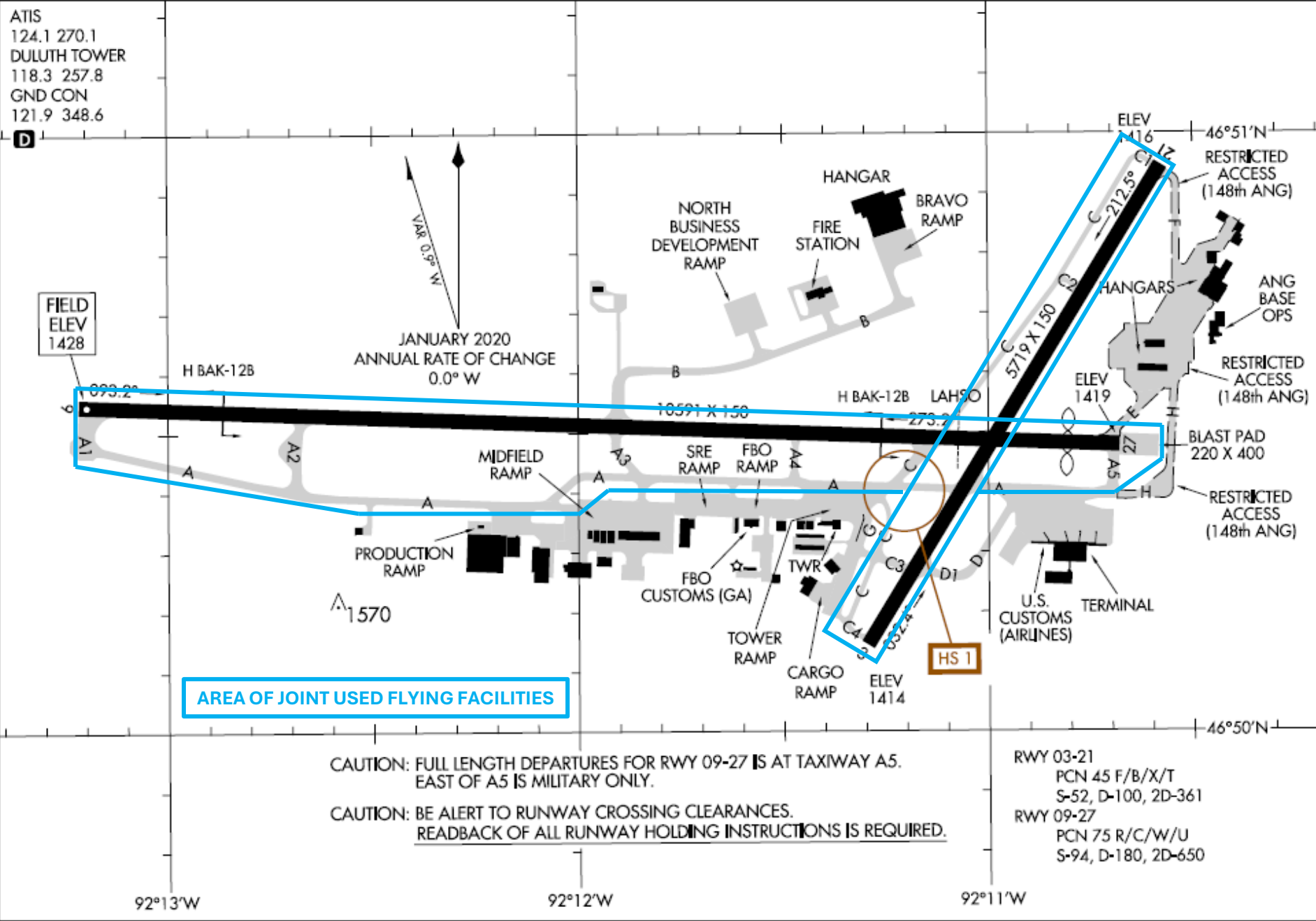
Dated: \_\_\_\_\_

UNITED STATES OF AMERICA

By: \_\_\_\_\_  
For the Chief, National Guard Bureau

AIRPORT DIAGRAM  
23278

AIRPORT DIAGRAM  
23278



DULUTH, MINNESOTA  
DULUTH INTL (DLH)

DULUTH INTL (DLH)  
DULUTH, MINNESOTA

# Exhibit B - Standard Form 95

<b>CLAIM FOR DAMAGE, INJURY, OR DEATH</b>		<b>INSTRUCTIONS:</b> Please read carefully the instructions on the reverse side and supply information requested on both sides of this form. Use additional sheet(s) if necessary. See reverse side for additional instructions.			FORM APPROVED OMB NO. 1105-0008	
1. Submit to Appropriate Federal Agency:				2. Name, address of claimant, and claimant's personal representative if any. (See instructions on reverse). Number, Street, City, State and Zip code.		
3. TYPE OF EMPLOYMENT <input type="checkbox"/> MILITARY <input type="checkbox"/> CIVILIAN		4. DATE OF BIRTH	5. MARITAL STATUS	6. DATE AND DAY OF ACCIDENT		7. TIME (A.M. OR P.M.)
8. BASIS OF CLAIM (State in detail the known facts and circumstances attending the damage, injury, or death, identifying persons and property involved, the place of occurrence and the cause thereof. Use additional pages if necessary).						
<b>9. PROPERTY DAMAGE</b>						
NAME AND ADDRESS OF OWNER, IF OTHER THAN CLAIMANT (Number, Street, City, State, and Zip Code).						
BRIEFLY DESCRIBE THE PROPERTY, NATURE AND EXTENT OF THE DAMAGE AND THE LOCATION OF WHERE THE PROPERTY MAY BE INSPECTED. (See instructions on reverse side).						
<b>10. PERSONAL INJURY/WRONGFUL DEATH</b>						
STATE THE NATURE AND EXTENT OF EACH INJURY OR CAUSE OF DEATH, WHICH FORMS THE BASIS OF THE CLAIM. IF OTHER THAN CLAIMANT, STATE THE NAME OF THE INJURED PERSON OR DECEDENT.						
<b>11. WITNESSES</b>						
NAME			ADDRESS (Number, Street, City, State, and Zip Code)			
<b>12. (See instructions on reverse). AMOUNT OF CLAIM (in dollars)</b>						
12a. PROPERTY DAMAGE		12b. PERSONAL INJURY		12c. WRONGFUL DEATH		12d. TOTAL (Failure to specify may cause forfeiture of your rights).
<b>I CERTIFY THAT THE AMOUNT OF CLAIM COVERS ONLY DAMAGES AND INJURIES CAUSED BY THE INCIDENT ABOVE AND AGREE TO ACCEPT SAID AMOUNT IN FULL SATISFACTION AND FINAL SETTLEMENT OF THIS CLAIM.</b>						
13a. SIGNATURE OF CLAIMANT (See instructions on reverse side).				13b. PHONE NUMBER OF PERSON SIGNING FORM		14. DATE OF SIGNATURE
13a. SIGNATURE OF CLAIMANT (See instructions on reverse side).				13b. PHONE NUMBER OF PERSON SIGNING FORM		14. DATE OF SIGNATURE
<b>CIVIL PENALTY FOR PRESENTING FRAUDULENT CLAIM</b>				<b>CRIMINAL PENALTY FOR PRESENTING FRAUDULENT CLAIM OR MAKING FALSE STATEMENTS</b>		
The claimant is liable to the United States Government for a civil penalty of not less than \$5,000 and not more than \$10,000, plus 3 times the amount of damages sustained by the Government. (See 31 U.S.C. 3729).				Fine, imprisonment, or both. (See 18 U.S.C. 287, 1001.)		

**INSURANCE COVERAGE**

In order that subrogation claims may be adjudicated, it is essential that the claimant provide the following information regarding the insurance coverage of the vehicle or property.

15. Do you carry accident Insurance?  Yes If yes, give name and address of insurance company (Number, Street, City, State, and Zip Code) and policy number.  No

16. Have you filed a claim with your insurance carrier in this instance, and if so, is it full coverage or deductible?  Yes  No

17. If deductible, state amount.

18. If a claim has been filed with your carrier, what action has your insurer taken or proposed to take with reference to your claim? (It is necessary that you ascertain these facts).

19. Do you carry public liability and property damage insurance?  Yes If yes, give name and address of insurance carrier (Number, Street, City, State, and Zip Code).  No

**INSTRUCTIONS**

**Claims presented under the Federal Tort Claims Act should be submitted directly to the "appropriate Federal agency" whose employee(s) was involved in the incident. If the incident involves more than one claimant, each claimant should submit a separate claim form.**

**Complete all items - Insert the word NONE where applicable.**

A CLAIM SHALL BE DEEMED TO HAVE BEEN PRESENTED WHEN A FEDERAL AGENCY RECEIVES FROM A CLAIMANT, HIS DULY AUTHORIZED AGENT, OR LEGAL REPRESENTATIVE, AN EXECUTED STANDARD FORM 95 OR OTHER WRITTEN NOTIFICATION OF AN INCIDENT, ACCOMPANIED BY A CLAIM FOR MONEY

**Failure to completely execute this form or to supply the requested material within two years from the date the claim accrued may render your claim invalid. A claim is deemed presented when it is received by the appropriate agency, not when it is mailed.**

If instruction is needed in completing this form, the agency listed in item #1 on the reverse side may be contacted. Complete regulations pertaining to claims asserted under the Federal Tort Claims Act can be found in Title 28, Code of Federal Regulations, Part 14. Many agencies have published supplementing regulations. If more than one agency is involved, please state each agency.

The claim may be filled by a duly authorized agent or other legal representative, provided evidence satisfactory to the Government is submitted with the claim establishing express authority to act for the claimant. A claim presented by an agent or legal representative must be presented in the name of the claimant. If the claim is signed by the agent or legal representative, it must show the title or legal capacity of the person signing and be accompanied by evidence of his/her authority to present a claim on behalf of the claimant as agent, executor, administrator, parent, guardian or other representative.

If claimant intends to file for both personal injury and property damage, the amount for each must be shown in item number 12 of this form.

DAMAGES IN A **SUM CERTAIN** FOR INJURY TO OR LOSS OF PROPERTY, PERSONAL INJURY, OR DEATH ALLEGED TO HAVE OCCURRED BY REASON OF THE INCIDENT. THE CLAIM MUST BE PRESENTED TO THE APPROPRIATE FEDERAL AGENCY WITHIN **TWO YEARS** AFTER THE CLAIM ACCRUES.

The amount claimed should be substantiated by competent evidence as follows:

- (a) In support of the claim for personal injury or death, the claimant should submit a written report by the attending physician, showing the nature and extent of the injury, the nature and extent of treatment, the degree of permanent disability, if any, the prognosis, and the period of hospitalization, or incapacitation, attaching itemized bills for medical, hospital, or burial expenses actually incurred.
- (b) In support of claims for damage to property, which has been or can be economically repaired, the claimant should submit at least two itemized signed statements or estimates by reliable, disinterested concerns, or, if payment has been made, the itemized signed receipts evidencing payment.
- (c) In support of claims for damage to property which is not economically repairable, or if the property is lost or destroyed, the claimant should submit statements as to the original cost of the property, the date of purchase, and the value of the property, both before and after the accident. Such statements should be by disinterested competent persons, preferably reputable dealers or officials familiar with the type of property damaged, or by two or more competitive bidders, and should be certified as being just and correct.
- (d) **Failure to specify a sum certain will render your claim invalid and may result in forfeiture of your rights.**

**PRIVACY ACT NOTICE**

This Notice is provided in accordance with the Privacy Act, 5 U.S.C. 552a(e)(3), and concerns the information requested in the letter to which this Notice is attached.

A. **Authority:** The requested information is solicited pursuant to one or more of the following: 5 U.S.C. 301, 28 U.S.C. 501 et seq., 28 U.S.C. 2671 et seq., 28 C.F.R. Part 14.

- B. **Principal Purpose:** The information requested is to be used in evaluating claims.
- C. **Routine Use:** See the Notices of Systems of Records for the agency to whom you are submitting this form for this information.
- D. **Effect of Failure to Respond:** Disclosure is voluntary. However, failure to supply the requested information or to execute the form may render your claim "invalid."

**PAPERWORK REDUCTION ACT NOTICE**

This notice is solely for the purpose of the Paperwork Reduction Act, 44 U.S.C. 3501. Public reporting burden for this collection of information is estimated to average 6 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Director, Torts Branch, Attention: Paperwork Reduction Staff, Civil Division, U.S. Department of Justice, Washington, DC 20530 or to the Office of Management and Budget. Do not mail completed form(s) to these addresses.

VII. - D.

Resolution to Approve Amendment 1 to the Advertising Agreement Between  
the Duluth Airport Authority and Guest Services Inc, DBA Giants Ridge  
Recreation Area

**Term:**

January 1, 2026 – December 31, 2026

**Overview:**

- This updated section numbering, updated language in section 13 and added federal provision language that is required in our agreements
- All other terms and conditions of the Agreement remain the same
- Continue at \$450 per month
- Giants Ridge will continue to advertise above Baggage Claim 2

**DULUTH AIRPORT AUTHORITY  
LICENSE AGREEMENT FOR THE DISPLAY OF ADVERTISING  
AMENDMENT 1  
GIANTS RIDGE RECREATION AREA**

THIS AMENDMENT is entered into by and between the Duluth Airport Authority hereinafter called "Authority," and Guest Services Management, LLC, DBA Giants Ridge Recreation Area hereinafter referred to as "Advertiser".

WHEREAS, on November 19, 2024, Advertiser and the Authority entered into that certain License Agreement (the "Agreement") pursuant to which Advertiser advertises its products and services within the Terminal.

WHEREAS, the Agreement provides for an initial term and up to two additional one-year periods;

WHEREAS, Advertiser desires to exercise the first one (1) year option period, and Authority agrees to such exercise, subject to the terms set forth herein; and

WHEREAS, the parties desire to correct the section numbering of the Agreement; and

WHEREAS, the parties desire to replace Section 13 with new language; and

WHEREAS, the parties further desire to add an Exhibit B to the Agreement.

NOW THEREFORE, the parties do mutually agree to amend the Agreement as follows:

1. Pursuant to the option provisions of the Agreement, Advertiser hereby exercises the first one (1) year option term ("First Option Term). The First Option Term shall commence on January 1, 2026, and expire on December 31, 2026, unless earlier terminated.
2. The Agreement is hereby amended to correct Section numbering to be in correct numeric order to start with Section 1 Definitions and end with Section 18 Entire Agreement.
3. The Agreement is hereby amended to remove Section 13 and replace with the following:

**SECTION 14  
LAWS, ORDINANCES, RULES, SUBORDINATION AND NON-DISCRIMINATION**

- A. Laws, Ordinances, and Rules: Advertiser agrees to observe and comply with all the laws, ordinances, rules and regulations of the United States of America, State of Minnesota, the City of Duluth, and their respective agencies which are applicable to its business at the Airport including all laws relating to unlawful discrimination, and further agrees to observe and comply with all Airport Rules and Regulations and Minimum Standards in existence at the execution of this agreement and which may be amended from time to time. Further, Advertiser agrees to fulfill its responsibilities pursuant to the Airport Security Program, Airport Emergency Plan, and Airport Certification Manual and any amendments thereto.
- B. Subordination: This Agreement shall be subordinate to the provisions of any existing or future Agreement between the Authority and the United States of America or the State of Minnesota relative to the operation or maintenance of the Airport, the execution of which has been or may

be required as a condition precedent to the expenditure of Federal or State funds for the development of the Airport, or to any security requirements of State or Federal Government, including temporary security procedures or instructions.

C. Non-discrimination: Advertiser shall comply with the Required Federal Aviation Civil Rights Provisions contained in Exhibit A attached hereto.

4. The Agreement is hereby amended to add Exhibit B Required Federal Provisions, attached hereto and incorporated herein by this reference.
5. Except as provided in this Amendment 1, all terms and conditions of the Agreement shall remain in force and effect.

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the date signed below.

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

DULUTH AIRPORT AUTHORITY

GUEST SERVICES MANAGEMENT, LLC  
DBA GIANTS RIDGE RECREATION AREA

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

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

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

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

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

## EXHIBIT B

### REQUIRED FEDERAL PROVISIONS

- A. Compliance with Nondiscrimination Provisions. During the performance of this Agreement, Advertiser, for itself, its assignees, and successors in interest (hereinafter collectively referred to as "Advertiser") agrees as follows:

**Compliance with Regulations:** Advertiser will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this Agreement.

**Non-discrimination:** Advertiser, with regard to the work performed by it during the term of this Agreement, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in the selection and retention of contractors, including procurements of materials and leases of equipment. Advertiser will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.

**Solicitations for Agreements, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by Advertiser for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential contractor or supplier will be notified by Advertiser of Advertiser's obligations under this Agreement and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin.

**Information and Reports:** Advertiser will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts And Authorities and instructions. Where any information required of Advertiser is in the exclusive possession of another who fails or refuses to furnish the information, Advertiser will so certify to AUTHORITY or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

**Sanctions for Noncompliance:** In the event of Advertiser's noncompliance with the Non-discrimination provisions of this contract, AUTHORITY will impose such sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to withholding payments to the Advertiser under the Agreement until the Advertiser complies, and/or cancelling, terminating, or suspending the Agreement, in whole or in part.

**Incorporation of Provisions:** Advertiser will include the provisions of paragraphs one through six of this Exhibit A, Section (A) in every contract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. Advertiser will take action with respect to any contract or procurement as AUTHORITY or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if Advertiser becomes involved in, or is threatened with litigation by a contractor, or supplier because of such direction, Advertiser may request AUTHORITY to enter into any litigation to protect the interests of AUTHORITY. In addition, Advertiser may request the United States to enter into the litigation to protect the interests of the United States.

- B. Real Property Acquired or Improved Under the Airport Improvement Program. Advertiser for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that in the event facilities are constructed, maintained, or otherwise operated on the property described in this Agreement for a purpose for which a Federal Aviation Administration activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Advertiser will maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Pertinent List of Nondiscrimination Authorities (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.
- C. Construction/Use/Access to Real Property Acquired Under the Activity, Facility or Program. Advertiser for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that (1) no person on the ground of race, color, or national origin, will 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, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, and (3) that Advertiser will furnish its services in compliance with all other requirements imposed by or pursuant to the List of Nondiscrimination Acts And Authorities.
- D. Title VI List of Pertinent Nondiscrimination Acts and Authorities. During the performance of this Agreement, Advertiser, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:
- i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
  - ii. 49 CFR Part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
  - iii. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
  - iv. Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27;
  - v. The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
  - vi. Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
  - vii. The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
  - viii. Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR Parts 37 and 38;

- ix. The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
  - x. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
  - xi. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100); and
  - xii. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).
- E. General Civil Rights Provision. In all its activities within the scope of its airport program, the Advertiser agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.
- F. Right of Re-entry. In the event of breach of any of the above Nondiscrimination covenants, AUTHORITY will have the right to terminate the Agreement and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the Agreement had never been made or issued.
- G. Subcontracts. Advertiser agrees that it shall insert the above six provisions (Section (A) through Section (F)) in any agreement by which Advertiser grants a right or privilege to any person, firm, or corporation to render accommodations and/or services to the public under this Agreement.

## VII. - E.

### Duluth Airport Authority Resolution to Approve Commercial Vehicle Ordinance NO. 001

#### **Background:**

- Feedback from operators included concerns about enforcement of the Commercial Vehicle Policy.
- The Duluth Airport Authority is authorized by Minnesota law to regulate airport operations, including commercial vehicles.

#### **Overview:**

- Promote and conserve public safety, health, peace, convenience, and welfare and to provide for the equitable allocation of the costs of establishing and maintaining ground transportation facilities at the Airport.
- Manage the operation of various forms of ground transportation at the Airport in recognition of limited roadway capacity.
- Regulate the operation of all Commercial Vehicles at Duluth International Airport.
- Applies to taxis, limos, hotel shuttles, peer-to-peer car sharing and transportation network companies.
- Sets requirement for permits, and compliance with licensing, insurance and customer service standards.
- Designates the commercial vehicle lane to be used for all commercial vehicle activity to include passenger pick-up and drop-off.
- Implements fees, including permit, per-trip fees, and penalties.
- Sets clear enforcement, citation, appeal, and penalty procedures to ensure compliance.
- Promotes safe, orderly and nondiscriminatory standards for commercial vehicle operators.



# Duluth Airport Authority

## Commercial Vehicle Ordinance NO. 001 Duluth International Airport

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Duluth Airport Authority  
Board President Signature

**DULUTH AIRPORT AUTHORITY  
COMMERCIAL VEHICLES ORDINANCE NO. 001**

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**DULUTH AIRPORT AUTHORITY  
ORDINANCE NO. 001  
COMMERCIAL VEHICLES**

An Ordinance to promote and conserve public safety, health, peace, convenience, and welfare and to provide for the equitable allocation of the costs of establishing and maintaining ground transportation facilities at the Airport; to manage the operation of various forms of ground transportation at the Airport in recognition of limited roadway capacity; to regulate the operation of all Commercial Vehicles at Duluth International Airport, a public airport under the operation, direction, and control of the Duluth Airport Authority.

WHEREAS, the Airport has limited roadway capacity to accommodate all of the Commercial Vehicles seeking access to the Airport to service passenger needs; and

WHEREAS, the Duluth Airport Authority seeks to provide the best possible ground transportation services to the public, and to generate revenue to support the Airport's facilities; and

WHEREAS, the Minnesota Legislature has authorized the Duluth Airport Authority to adopt and amend all needful rules, regulations, and ordinances for the management, government, and use of any properties under its control; to fix by ordinance or resolution, as may be appropriate, penalties for the violations of said rules, regulations, and ordinances and enforce said penalties in the same manner in which penalties prescribed by other rules, regulations, and ordinances are enforced. Minn. Stat. § 360.038 Subd. 3.

NOW, THEREFORE, the Duluth Airport Authority does ordain:

**SECTION 1: DEFINITIONS**

- 1.1 Airport. "Airport" means the Duluth International Airport.
- 1.2 Airport Infrastructure. "Airport Infrastructure" means any capital improvement that has been provided by Authority to support the operation of the Airport and used by the Operator in providing commercial service to Airport customers. This included the funding, maintenance, and operation of the public roadway system accessing the terminal, the public parking ramp, the public parking surface lot, and the Commercial Vehicle Lane.
- 1.3 Authority. "Authority" means the Duluth Airport Authority.
- 1.4 Cell Phone Lot. "Cell Phone Lot" means the parking area so labeled located on the north side of Grinden Drive before Terminal as depicted on Exhibit A.
- 1.5 City. "City" means the city of Duluth, Minnesota.
- 1.6 Commercial Vehicle Operator. "Commercial Vehicle Operator" or "Operator" means any private entity which uses Airport Infrastructure to provide vehicle transportation services at the Airport, or that transport customers. This includes but is not limited to taxicabs, limousines, shuttles, TNCs, Peer-To-Peer, and off-airport rental car companies.
- 1.7 Commercial Vehicle Permit Fee. "Commercial Vehicle Permit Fee" means a fee assessed annually to the Operator for the right to operate as the Airport.
- 1.8 Commercial Vehicle. "Commercial Vehicle" means any individual vehicle used by an Operator for service provided on the Airport excluding Unregulated Vehicles, Delivery Vehicles, and public transportation vehicles provided by the City or the Duluth Transit Authority.
- 1.9 Commercial Vehicle Lane. "Commercial Vehicle Lane" means the southern lane of the Airport inbound roadway dedicated for Commercial Vehicle traffic as shown on Exhibit A.

- 1.10 Commercial Vehicle Permit. “Commercial Vehicle Permit” or “Permit” means the permit issued by the Authority for the privilege of utilizing Airport Infrastructure to conduct business.
- 1.11 Delivery Dock. “Delivery Dock” means the loading area located on the northeast side of the terminal and the commensurate roadway access.
- 1.12 Delivery Vehicles. “Delivery Vehicles” means all vehicles which make non-passenger deliveries to the Airport.
- 1.13 Enforcement. “Enforcement” means actions taken by the Authority or its agents or contractors to ensure compliance with the provisions of this Ordinance.
- 1.14 Executive Director. “Executive Director” means the Executive Director of the Duluth Airport Authority or his or her designee.
- 1.15 Peer-to-Peer Car Sharing Company. “Peer-to-Peer Car Sharing Company” means an arms-length, remote, web-based, or mobile transaction where a Shared Vehicle Owner allows a third party to use the Shared Vehicle(s) for a fee. This includes, but is not limited to, reservations made through a website, mobile application, or any other platform that connects Shared Vehicle Owners with customers seeking to reserve the Shared Vehicle(s), with the Shared Vehicle(s) being dropped off to the customer on Airport property.
- 1.16 Permit Decal. “Permit Decal” means a sticker issued by the Authority for the purpose of identifying various Commercial Vehicles approved to operate at the Airport excluding TNC and Peer-to-Peer operators.
- 1.17 Per Trip Fee. “Per Trip Fee” means a fee for each instance in which a Commercial Vehicle picks up or drops off one or more passengers at the Airport.
- 1.18 Rates and Charges Schedule. “Rates and Charges Schedule” means the list of fees charges by the Duluth Airport Authority updated and approved annually by the Duluth Airport Authority Board of Directors.
- 1.19 RFID Tag. “RFID Tag” or “Radio Frequency Identification Tag” means a small label, sticker, or sensor owned by the Authority and installed on permitted Commercial Vehicles that contains a computer chip and antenna that uses radio waves to store and transmit data. The RFID Tag signals when Commercial Vehicles enter or exit the Commercial Vehicle Lane.
- 1.20 Solicit. “Solicit” means to directly or indirectly, actively or passively, openly or subtly, ask, request, plead for, seek, or try to obtain passengers for hire in a Commercial Vehicle, whether or not by the Operator or driver of such Commercial Vehicle. This includes any effort by use of voice, movement of body, or by mechanical contrivance of whatever sort to call attention to the availability of a Commercial Vehicle to carry a passenger.
- 1.21 Staging. “Staging” means time reserved for a Commercial Vehicle that is stopped with the intent of resting in-between service.
- 1.22 Transportation Network Company. “Transportation Network Company” or “TNC” means a service provider which pairs passengers with drivers via websites or mobile apps with drivers who provide transportation services.
- 1.23 Unregulated Vehicles. “Unregulated Vehicles” means vehicles including public transit, tour, or charter buses and emergency vehicles.

## **SECTION 2: SCOPE**

- 2.1 This Ordinance applies to all persons and vehicles engaged in commercial ground transportation at the Airport. This Ordinance does not apply to parking access control for federal employees or other Vehicles authorized by the Executive Director to use the Commercial Vehicle Lane that do not meet the definition of Commercial Vehicle, except as governed by separate agreement.

### SECTION 3: AUTHORITY TO OPERATE

- 3.1 Authorized Vehicles. Only Commercial Vehicles which are permitted by the Authority and licensed by the City of Duluth or other government entity, as applicable, or off-airport rental car vehicles under separate agreement with the Authority may pick up passengers at the Airport, subject to compliance with the provisions of this Ordinance. All vehicles shall comply with federal, state, or local licensing, registration, and insurance requirements. All vehicles shall be clean, undamaged, professional, and display Operator's name and logo.
- 3.2 Permits. All Commercial Vehicles must have a valid Commercial Vehicle Permit to operate at the Airport. Application and payment for a Permit may be made at the Authority's administrative office or online at the Airport website. Each Commercial Vehicle must visibly display a current Permit Decal at all times when operating on the Airport in the location set forth in the Commercial Vehicle Permit application.
- 3.3 City License. All Commercial Vehicles and other transportation vehicles must obey all laws, rules, and regulations of the City of Duluth, or other government entity as applicable, including completing any and all required licensing programs and vehicle inspections. A current city license must be displayed on all Commercial Vehicles.
- 3.4 RFID Tags. RFID Tags are required in all Commercial Vehicles, excluding TNC and Peer-to-Peer operators, in order to operate within the Commercial Vehicle Lane. RFID Tags shall at all times be affixed to the Vehicle in the location installed by the Authority.
  - 3.4.1 No Unauthorized Transfer. An RFID Tag shall only be used in the Commercial Vehicle for which is it authorized by the Authority.
- 3.5 Insurance Requirements. Insurance requirements are set by the Authority and will be included in the Commercial Vehicle Permit application or separate operator agreement where applicable.
- 3.6 Customer Service Requirements. The Commercial Vehicle Operator, including all drivers authorized to operate at the Airport, must complete the Authority's customer service checklist prior to the commencement of service. The Authority reserves the right to revise the customer service expectations at its sole discretion. Failure to comply with customer service expectations shall be grounds for immediate termination of the Permit and forfeiture of all fees paid to the Authority. Excluded from this provision are TNC and Peer-to-Peer operators and drivers only.

### SECTION 4: TAXIS, LIMOUSINES, AND HOTEL SHUTTLES

- 4.1 Display of RFID Tag and Permit Decal. All permitted Operators must have their RFID Tag and Permit Decal issued by the Authority affixed to Commercial Vehicles at all times in the manner prescribed by the Authority.
- 4.2 Commercial Vehicle Lane. Commercial Vehicles subject to the requirements of this section shall only use the Commercial Vehicle Lane or other areas designated by the Executive Director to pick up and drop off passengers at the Airport. Commercial Vehicles must not be parked in the Commercial Vehicle Lane for any purpose other than immediate pick-up or drop-off of passengers and shall not park at the terminal curbside. **Commercial Vehicles shall not pick up or drop off passengers at the curbside area of the terminal.** Commercial Vehicles shall use the first available position in the Commercial Vehicle Lane beginning at the west end and shall move up as other vehicles depart. If all available positions are occupied, Commercial Vehicles shall stage in the Cell Phone Lot. Commercial Vehicles shall not occupy the Commercial Vehicle Lane more than sixty (60) minutes before a scheduled arrival or more than sixty (60) minutes after actual arrivals unless they have a

pre-arranged pick-up scheduled. Taxis must accept the first request for hire beginning with the westerly most position or vacate the Commercial Vehicle Lane and re-queue.

- 4.3 Pre-Arrange Fares. Drivers who have a pre-arranged fare may park their vehicle in the Commercial Vehicle Lane. Drivers must have visible signage with the pick-up name and freely inform any Authority employee or contractor of the fare.
- 4.4 Drivers Remain with Vehicles. Each driver must remain in his or her Commercial Vehicle while in the passenger loading area unless they are assisting a passenger. Drivers shall not leave their Commercial Vehicles unattended.

## **SECTION 5: DELIVERY VEHICLES**

- 5.1 Authorized Delivery Location. All Delivery Vehicles must use the Delivery Dock in the east terminal lot which is the air cargo and receiving area.

## **SECTION 6: OFF-AIRPORT RENTAL CAR**

- 6.1 Off-Airport Rental Car Operator Agreement Required. Off-airport rental car companies within a twenty-five (25) mile radius of the Airport are required to have an operator agreement with the Authority if conducting business at the Airport. The operator agreement shall include a concession on gross receipts consistent with that charged to on-airport rental car companies as well as a minimum access fee.
- 6.2 Authorized Locations. Off-airport rental car shuttles or vehicles shall only be allowed in designated areas and will operate in accordance with those requirements set forth in the operator agreement.

## **SECTION 7: PEER-TO-PEER CAR SHARING**

- 7.1 Peer-to-Peer Car Sharing Operator Agreement Required. Peer-to-Peer Car Sharing Companies are required to have an operator agreement with the Authority if any part of their car sharing transaction takes place at the Airport. The operator agreement shall include a concession on gross receipts consistent with that charged to on-airport car rental companies.
- 7.2 Authorized Locations. Peer-to-Peer Car Sharing Operators shall only be allowed in designated areas and will operate in accordance with those requirements set forth in the operator agreement.

## **SECTION 8: TRANSPORTATION NETWORK COMPANY**

- 8.1 TNC Operator Agreement Required. TNC Operators operating any portion of their business at the Airport are required to have an operator agreement with the Authority. The operator agreement shall include an annual Permit Fee as well as a Per Trip Fee according to the Rates and Charges Schedule.
- 8.2 Authorized Locations. TNC Vehicles shall only be allowed in designated areas and will operate in accordance with those requirements set forth in the operator agreement.

## **SECTION 9: DRIVERS**

- 9.1 Valid Driver's License. Every driver of a Commercial Vehicle or other transportation vehicle shall have a valid state driver's license with proper endorsements to operate in the state of Minnesota.

- 9.2 Solicitation. No person shall solicit the business of carrying passengers for hire in any Commercial Vehicle, and no Commercial Vehicle shall be driven within the limits of the Airport for the purpose of soliciting the carrying of passengers for hire. No driver of a Commercial Vehicle shall provide any payment to any person in return for the referral of passengers or preferential treatment.
- 9.3 Alcohol or Controlled Substance Use. No driver shall possess, consume, or be under the influence of alcohol or a controlled substance while on duty at the Airport. "Controlled substance" has the meaning given in Minnesota Statutes Chapter 152, as may be amended from time to time.
- 9.4 Discrimination. No Operator or Driver shall discriminate against any person based on race, color, creed, religion, national origin, sex, marital status, disability, status with regard to public assistance, sexual orientation, or age.

## SECTION 10: COMMERCIAL VEHICLE FEES

- 10.1 All fees required to be paid under this Ordinance shall be in accordance with those set forth in the Rates and Charges Schedule unless specified otherwise by a separate agreement required under this Ordinance.

## SECTION 11: ENFORCEMENT

- 11.1 Violations. The sanctions set forth in this section shall apply to all persons committing any violations of this Ordinance, or any laws, regulations, or manual expressly incorporated by this Ordinance (hereinafter referred to as "violations").
- 11.2 Alternative Methods of Enforcement. This section is intended to provide a nonexclusive and additional method of enforcement of this Ordinance, and nothing herein shall be taken as prohibiting or preventing the Authority from seeking to enforce the provision of this Ordinance by means of any other remedy available under law.
- 11.3 Suspensions and Revocations.
- 11.3.1 **Conduct.** A Commercial Vehicle Permit or RFID Tag for specific Vehicles may be revoked for violations of this Ordinance.
- 11.3.2 **Notice of Revocation.** The Executive Director shall have the authority to issue a Notice of Revocation.
- 11.4 Citations.
- 11.4.1 **Persons Authorized to Issue Citations.** Any person authorized by the Executive Director to enforce the provisions of this Ordinance, or any person otherwise authorized by law to enforce the laws of the State of Minnesota or that of the United States, shall be authorized to issue a citation for any violation under this Ordinance.
- 11.4.2 **Issuance.** Upon probable cause to believe that a violation has been committed and that the violator has committed the violation, or is liable for the commission of the violation, any person authorized pursuant to Section 10.5.1 may issue a citation to said violator. If reasonably practicable, the citation shall be delivered to the violator in person. If the violator is not present at the time that the citation is issued, or refused to accept delivery of the citation, the Executive Director may deliver the citation to the violator by depositing it in the U.S. mail addressed to the violator at an address on record with the Authority or at an address of public record for the violator.
- 11.4.3 **Content.** All citations for violations issued pursuant to this Ordinance shall contain at least the following:

- a. Date of the issuance of the citation;
- b. Name and address of the violator;
- c. Date of violation;
- d. Location where violation occurred;
- e. Citation to Ordinance provision(s) violated;
- f. Amount of penalty prescribed in the Rates and Charges Schedule for such violation(s);
- g. Date by which violator must either have paid the prescribed penalty or appealed the issuance of the penalty and paid the appeal deposit;
- h. Place where the penalty must be paid or to which the request for appeal and appeal deposit must be delivered;
- i. The name and signature of the issuer; and
- j. An identification number unique to the citation.

11.4.4 **Satisfaction.** Within ten (10) days of the delivery of a citation to any violator, the violator shall either pay the amount of the penalty to the Authority or shall deliver to the Authority a written request for appeal accompanied by the appeal deposit. Such request for appeal shall contain at least the following information:

- a. Either a legible photocopy of the citation being appealed or the identification number of the citation being appealed;
- b. A succinct and complete statement of the grounds for the appeal, all alleged facts supporting all grounds for appeal, a statement of the relief requested, and any other information violator believes to be relevant to the appeal or the relief requested; and
- c. The address to which any notifications, requests, directives, or other information pertaining to the appeal or the appeals process should be mailed.

11.5 Penalties. Penalties for violations of the provisions of this Ordinance shall be according to those set forth in the Rates and Charges Schedule adopted by the Authority for the year in which the violations occurred.

11.6 Appeal Deposit. The amount of the appeal deposit for any citation shall equal one-half the amount of the penalty for any violation as set forth in the Rates and Charges Schedule.

11.7 Applicable Legal Principles. The legal principles of *res judicata* and collateral estoppel shall apply to proceedings under this Section.

11.8 Time Periods. The time periods set forth in this Section shall be according to calendar days.

11.9 Administrative Hearings Procedure.

11.9.1 **Notice of Hearing.** Upon receipt of a notice of appeal and appeal deposit from any citation, the Executive Director shall schedule a date, time, and location for a hearing before a hearings officer with regard to said appeal and shall mail notice thereof to the violator as herein provided for. Said date shall not be less than ten (10) days after the date of mailing of the notice of hearing to the violator. Said notice shall state the date and time of the hearing, the location where the hearing is to be held, and shall identify the hearings officer who will be scheduled to hear the violator's appeal.

11.9.2 **Substitution of Hearings Officer.** For good cause shown, a violator may request that their appeal be heard by a difference hearings officer by providing to the Executive Director not less than three (3) days prior to the scheduled hearing date a written statement of fact supporting the allegation of good cause and a request for substitution of a different hearings officer. Upon such a showing of good cause which might reasonably render the assigned hearings officer unable to fairly hear violator's appeal, the Executive Director may re-assign the violator's appeal to be heard by a different hearings officer. If necessary, the Executive Director may reschedule the date and time of the hearing to accommodate the assignment of a

different hearings officer. Only one such substitution shall be available regarding any one appeal.

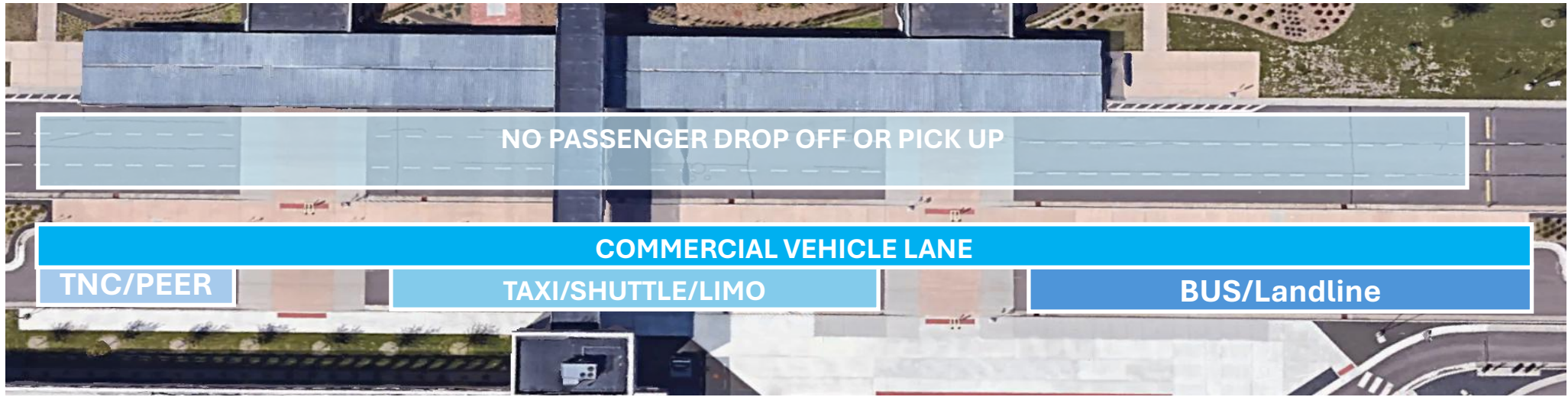
- 11.9.3 **Continuance.** Upon good cause shown, by the violator or by the Authority, the Executive Director may grant a continuance of the hearing on any appeal. The party requesting the continuance shall provide the Executive Director, not less than three (3) days prior to the scheduled hearing date, with a written statement of facts supporting the allegation of good cause and a request for continuance. Upon a grant of any such continuance, the Executive Director shall provide the violator with a notice setting forth the date, time, and location of the rescheduled hearing.
- 11.9.4 **No Representation by Attorneys.** Neither the Authority nor the violator shall be represented at the hearing by an attorney. Provided that, where relevant or where requested by the hearings officer, either party may submit a legal memorandum relevant to the issues being heard.
- 11.9.5 **Evidence.** At the hearing, the hearings officer may hear and rely on any testimony or other evidence they deem to be reasonably reliable, including, in the exercise of their discretion, hearsay testimony. Strict compliance with the Minnesota Rules of Evidence will not be required. The audio of the proceedings shall be recorded, and a record of all testimony and all evidence considered shall be maintained by the Authority for at least sixty (60) days after the close of the hearing.
- 11.9.6 **Burden of Proof.** In all hearings, the Authority shall have the burden of proving by a preponderance of the evidence that the alleged violation has occurred and that the violator is the person or one of the persons liable therefore.
- 11.9.7 **Failure to Appear.** If any violator fails to appear for any scheduled hearing, the violation shall be deemed to have been admitted by such violator. The hearings officer shall impose such penalty or order, or both, as they deem appropriate, and the violator shall be deemed to have waived any further right of appeal.
- 11.9.8 **Decision of Hearings Officer.** Upon the conclusion of any appeal, the hearings officer shall issue written findings of fact, conclusions of law, and their decision. If possible the hearings officer shall verbally render their decision at the conclusion of the hearing in the presence of the violator and the Authority, but, in any event, written findings, conclusions of law, and the decision shall be issued as soon thereafter as practicable and shall be mailed by the Executive Director to the violator. The decision of the hearings officer shall be final, subject to the right of appeal as set forth in Section 10.5.9. Said decision may:
- a. Upon a finding that the Authority has failed to prove that the violation(s) occurred or that the violator is the person liable therefore, dismiss the citation. In the event that the citation is dismissed, the appeals deposit shall be returned to the violator;
  - b. Upon a finding that the Authority has proven that the violation(s) occurred and that the violator is the person liable therefore, affirm the citation. In the event that the citation is affirmed, the appeals deposit shall be applied to the amount of the penalty; or
  - c. Upon a finding that the Authority has proven that the violation(s) occurred and that the violator is liable therefore, but upon a further finding that special circumstances or the interests of justice requires modification of the penalty or order, affirm the citation but reduce or stay imposition of any penalty previously ordered.
- 11.9.9 **Judicial Review.** Any party aggrieved by the decision of the hearings officer may appeal said decision by petitioning the Minnesota Court of Appeals for a writ of certiorari pursuant to Minnesota Statutes. Section 606.01.

- 11.9.10 **Enforcement of Decision.** Upon mailing of a notice to a violator that the citation appealed from is affirmed, the violator shall within ten (10) days of the mailing of said notice:
- a. Pay the amount of the penalty to the Authority; or
  - b. Commence an appeal as provided for in Section 10.5.9.
- 11.10 Enforcement. In the event that any violator fails to pay any penalty or other amounts owed under this Ordinance, the Authority shall have the right to collect any sums owed to the Authority under this Ordinance by any legally allowable means.
- 11.11 Late Payment Charge. There shall be added to any penalty not paid within the times prescribed for payment thereof an amount set in accordance with the Rates and Charges Schedule as a late payment charge.

## **SECTION 12: GENERAL PROVISIONS**

- 12.1 Provisions Severable. If any provision of this Ordinance shall be held unconstitutional or invalid, such provision shall be severed from this Ordinance, and the remaining provisions shall remain in full force and effect as if this Ordinance were passed without the unenforceable provision.
- 12.2 Effective Date. This Ordinance is effective as of the date it is passed and adopted by the Authority.

EXHIBIT A



VII. - F.

Duluth Airport Authority  
Commercial Vehicle Policy

***Background:***

- The Commercial Vehicle Policy was revised in June of 2025

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

- The Commercial Vehicle Policy needs to be updated to reflect the new Commercial Vehicle Ordinance and violation procedures.



# Duluth Airport Authority

## Commercial Vehicle Policy Duluth International Airport

This document supersedes and replaces any and all Commercial or Ground Transportation Policies.

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Duluth Airport Authority  
Board President Signature

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## **POLICY BACKGROUND & PURPOSE**

The Airport's Commercial Vehicle Lane will be used to control commercial ground transportation vehicular traffic to provide a safe environment for pedestrians and to promote a high level of customer service. The Authority's program will comply with the City ordinance requirements regarding licenses for taxis and the Authority's Commercial Vehicle Ordinance NO.001. For other affected vehicles, vehicle registration/inspection standards will be limited to the applicable City requirements. A fee schedule will be adopted and updated annually as appropriate and included in the Rates and Charges Schedule.

### **SECTION 1: DEFINITIONS**

- A. **Airport:** Shall mean the Duluth International Airport.
- B. **Airport Infrastructure:** Shall mean any capital improvement that has been provided by Authority to support the operation of the Airport and used by the Operator in providing commercial service to Airport customers. This includes the funding, maintenance, and operation of the public roadway system accessing the terminal, the public parking ramp, the public parking surface lot, and the Commercial Vehicle Lane.
- C. **Authority:** Shall mean Duluth Airport Authority.
- D. **Cell Phone Lot:** Shall mean the small parking area labeled "Cell Phone Lot" located on north side of Grinden Drive before Terminal as shown on Exhibit A.
- E. **City:** Shall mean the city of Duluth, Minnesota.
- F. **Commercial Vehicle Operator (Operator):** Shall mean any private entity which uses the Airport Infrastructure to provide vehicle transportation services at the Airport, or that transports customers. This includes but is not limited to taxicabs, limousines, shuttles, TNC, Peer-To-Peer, and off-airport rental car companies.
- G. **Commercial Vehicle Permit Fee:** A fee assessed annually to the Operator for the right to operate at the Airport.
- H. **Commercial Vehicle:** Shall mean any individual vehicle used by the Operator for service provided on the Airport excluding Unregulated Vehicles, Delivery Vehicles, and public transportation vehicles provided by the City or the Duluth Transit Authority.
- I. **Commercial Vehicle Lane:** Shall mean the southern lane of the Airport inbound roadway dedicated for Commercial Vehicle traffic as shown on Exhibit A.
- J. **Commercial Vehicle Permit (Permit):** Shall mean the permit issued by the Authority for the privilege of utilizing the Airport Infrastructure to conduct business.
- K. **Delivery Dock:** Shall mean the loading area located on the northeast side of the terminal and the commensurate roadway access.
- L. **Delivery Vehicles:** Shall mean all vehicles which make (non-passenger) deliveries to the Airport.

- M. **Enforcement:** Shall mean the actions by the Authority or Authority's agents or contractors, to ensure that the Commercial Vehicle Policy is being followed. Enforcement shall consist of verbal warnings, written warnings and revocation of Permit.
- N. **Executive Director:** Shall mean the Executive Director of the Duluth Airport Authority or his or her designee.
- O. **Peer-To-Peer Car Sharing Company (i.e. Turo):** Shall mean an arms-length, remote, web-based, or mobile transaction where a Shared Vehicle Owner allows a third party to use the Shared Vehicle(s) for a fee. This includes, but is not limited to, reservations made through website, mobile application, or any other platform that connects Shared Vehicle Owners with airport customers seeking to reserve the Shared Vehicle(s), with the Shared Vehicle(s) being dropped off to the airport customer on Airport property.
- P. **Permit Decal:** A sticker issued by the Authority for the purpose of identifying various Commercial Vehicles excluding TNC and Peer-To-Peer operators.
- Q. **Per Trip Fee:** A fee for each instance in which a Commercial Vehicle picks up or drops off one or more passengers at the Airport.
- R. **Rates and Charges Schedule:** Shall mean the list of fees charged by the Duluth Airport Authority approved annually by the Duluth Airport Authority Board of Directors.
- S. **RFID Tag:** (Radio Frequency Identification Tag) is a small label/sticker/sensor owned and installed by the Authority or Operator on each Commercial Vehicle that contains a computer chip and antenna that uses radio waves to store and transmit data. The installed RFID tag signals when Vehicles enter or exit the Commercial Vehicle Lane. The Per Trip Fee is based on data collected from RFID Tags.
- T. **Staging:** The time reserved for a Commercial Vehicle that is parked with the intent of resting in-between service.
- U. **Transportation Network Company (TNC):** Shall mean a service provider which pairs passengers via websites and mobile apps with drivers who provide transportation services (i.e. Uber, Lyft, etc.). Transportation Network Companies are examples of the sharing economy and shared mobility also known as ride sharing.
- V. **Unregulated Vehicles:** Shall mean vehicles which shall include public transit, tour and/or charter buses and emergency vehicles.

## SECTION 2: SCOPE

This policy applies to all Commercial Vehicle Operators and other transportation vehicles using Airport Infrastructure for their operations, including the vehicles and drivers used in their operations. This policy does not apply to parking access control for federal employees or other vehicles assigned by the Executive Director to use the Commercial Vehicle Lane that do not meet the definition of Commercial Vehicle.

## SECTION 3: AUTHORITY TO OPERATE

- A. Authorized Vehicles

Only Commercial Vehicles which are permitted by the Airport and licensed by the City of Duluth, if applicable, or off airport rental car vehicles, under separate agreement with the Authority may pick up passengers at the Airport, subject to compliance with the other provisions of this Policy. All vehicles shall comply with federal/state/local licensing, registration, and insurance regulations. All vehicles shall be clean, undamaged, professional and display Operator's name/logo.

B. Permits

All Commercial Vehicles will be required to have a Commercial Vehicle Permit, by application and payment at the Authority administrative office or Airport website. Each Commercial Vehicle will be required to visibly display a current Permit Decal at all times when operating on the Airport in the location as set forth in the Commercial Vehicle Permit application.

C. City License

All Commercial Vehicles and other transportation vehicles must obey all laws, rules and regulations of the City, including completing their licensing program and vehicle inspections, if applicable. The current City license, if held, must be displayed on all Commercial Vehicles.

D. RFID Tags

RFID Tags are required in every Commercial Vehicle excluding TNC and Peer-To-Peer operators in order to operate within the Commercial Vehicle Lane. The RFID Tag shall at all times be affixed to the Vehicle in a location installed by the Authority.

i. No Unauthorized Transfer

An RFID Tag shall only be used in the Commercial Vehicle for which it is authorized by the Authority.

E. Insurance Requirements

Insurance requirements are set by the Authority and will be included in the Commercial Vehicle Permit application or separate operator agreement where applicable.

F. Customer Service Requirements

The Commercial Vehicle Operator, including all drivers assigned to operate at the Airport, must complete the Authority's customer service checklist prior to the commencement of service. The Authority reserves the right to revisit the customer service expectations at its sole discretion. Failure to participate will be grounds for the immediate termination of the Permit and forfeiture of all fees paid to the Authority. Exclusions to this requirement are TNC and Peer-To-Peer operators and drivers only.

#### **SECTION 4: COMMERCIAL VEHICLE OPERATIONS FOR TAXIS, LIMOUSINES, AND HOTEL SHUTTLES**

A. Display of RFID Tag and Permit Decal

Prior to commencement of service, Operators must be permitted and have the required RFID TAG and Permit Decal issued by the Authority affixed to Commercial Vehicles at all times in the manner prescribed by the Authority.

B. Commercial Lane

Commercial Vehicles shall only use the Commercial Lane or other areas established by

the Executive Director to pick up and drop off passengers at the Airport. Commercial Vehicles must not be parked in the Commercial Vehicle Lane for any other purpose other than immediate pick-up or drop-off of passengers and shall not park at the terminal curbside at any time. **No pick-ups or drop-offs are allowed at the curbside area of the terminal.** Commercial Vehicles are to use the first available position in the Commercial Vehicle Lane beginning at the west end and move up as other vehicles depart. If all available positions are occupied, the Commercial Vehicle shall stage in the Cell Phone Lot. Commercial Vehicles shall not occupy the lane prior to sixty (60) minutes before a scheduled arrival or sixty (60) minutes after actual arrivals unless they have a pre-arranged pick-up scheduled. Taxis must accept the first request for hire beginning with the westerly most position or vacate the commercial vehicle lane and re-queue.

C. Pre-Arranged Fares

Drivers who have a pre-arranged fare will park their vehicle in the commercial vehicle lane. Drivers must have visible signage with the pick-up name and freely inform any Authority employee/contractor of the fare.

D. Drivers Remain with Vehicles

Each driver must remain in his or her Commercial Vehicle while in the passenger loading area unless they are assisting a passenger. Commercial Vehicles shall not be left unattended.

### **SECTION 5: DELIVERY VEHICLE OPERATIONS**

A. Authorized Delivery Location

All Delivery Vehicles must use the Delivery Dock in the East terminal lot, which is the air cargo/receiving area.

### **SECTION 6: OFF AIRPORT RENTAL CAR OPERATIONS**

A. Off Airport Rental Car Operator Agreement Requirements

Off Airport Rental Car Companies within a twenty-five (25) mile radius of the Airport are required to have an operator agreement with the Authority if conducting business at the Airport. The operator agreement is required to include a concession on gross receipts consistent with that charged to on airport car rental companies, as well as a minimum access fee.

B. Authorized Locations

Off airport rental car shuttles or vehicles shall only be allowed in designated areas and will operate in accordance with those requirements set forth in their separate operator agreement.

### **SECTION 7: PEER-TO-PEER CAR SHARING OPERATIONS**

A. Peer-to-Peer Car Sharing Operator Agreement Requirements

Peer-to-Peer Car Sharing Companies are required to have an operator agreement with the Authority if any part of their car sharing transaction takes place at Airport. The operator agreement is required to include a concession on gross receipts consistent with that charged to on-airport car rental companies.

B. Authorized Locations

Peer-to-Peer Car Sharing Operators shall only be allowed in designated areas and will operate in accordance with those requirements set forth in their separate operator agreement.

## **SECTION 7: TRANSPORTATION NETWORK COMPANY OPERATIONS**

- A. TNC Operator Agreement Requirements  
TNC Operators operating any portion of their business at the Airport are required to have an operator agreement with the Authority. The operator agreement is required to include an annual Permit Fee as well as a per trip fee as approved in the Rates and Charges Schedule annually adopted by the Authority.
- B. Authorized Locations  
TNC Vehicles shall only be allowed in designated areas and will operate in accordance with those requirements set forth in their separate operator agreement.

## **SECTION 8: DRIVERS**

- A. Valid Driver's License  
Every driver of a Commercial Vehicle or other transportation vehicle shall have a valid state driver's license with proper endorsements to operate in the state of Minnesota.
- B. Solicitation  
No person shall solicit the business of carrying passengers for hire in any Commercial Vehicle and no Commercial Vehicle shall be driven within the limits of the Airport for the purpose of soliciting the carrying of passengers for hire. No driver of a Commercial Vehicle shall provide any payment to any person in return for the referral of passengers or preferential treatment.  
  
"Solicit" means to directly or indirectly, actively or passively, openly or subtly, ask, request, plead for, seek, or try to obtain passengers for hire in a Commercial Vehicle, whether or not by the Operator or driver of such Commercial Vehicle. This includes any effort by use of voice, movement of body or by mechanical contrivance of whatever sort to call attention to the availability of a Commercial Vehicle to carry a passenger.
- C. Alcohol or Controlled Substance Use  
No driver shall possess, consume or be under the influence of alcohol or a controlled substance while on duty at the Airport. "Controlled substance" has the meaning given in Minnesota Statutes Section 152.01, subd. 4, as may be amended from time to time.

## **SECTION 9: ENFORCEMENT**

The Authority shall enforce the Commercial Vehicle Policy through Airport Security, which will serve as the primary point of contact for enforcement activities. Airport staff will assist by monitoring commercial traffic during the course of their regular duties and reporting any violations to Airport Security for further action.

The Airport may utilize a range of enforcement tools, including but not limited to surveillance cameras and license plate recognition technology. Enforcement actions will be administered in

accordance with Duluth Airport Authority Commercial Vehicle Ordinance NO.001, which governs the issuance of citations for both permitted and non-permitted operators.

The following procedures apply specifically to taxicabs, limousines, and shuttle services. All other commercial vehicle operators will be subject to the terms outlined in their individual operating agreements.

#### **A. Enforcement Procedures for Permitted Operators**

1. **First Offense:**  
A verbal warning will be issued by an Airport Security Officer and recorded in the operator's permit file.
2. **Second Offense:**  
A written warning will be issued and documented in the permit file.
3. **Third Offense:**  
A citation will be issued pursuant to Duluth Airport Authority Commercial Vehicle Ordinance NO. 001. This citation will include a monetary fine as specified in the Rates and Charges Schedule adopted annually by the Authority, which may be amended. The operator's permit to operate at the Airport will be revoked for a period of one (1) year. The operator may reapply for a permit following the one-year revocation period.
4. **Fourth Offense (following reinstatement after the third offense):**  
If a subsequent violation occurs, the operator's permit will be revoked for a period of two (2) years. Reapplication will be permitted after the two-year revocation period.

#### **B. Enforcement Procedures for Non-Permitted Operators**

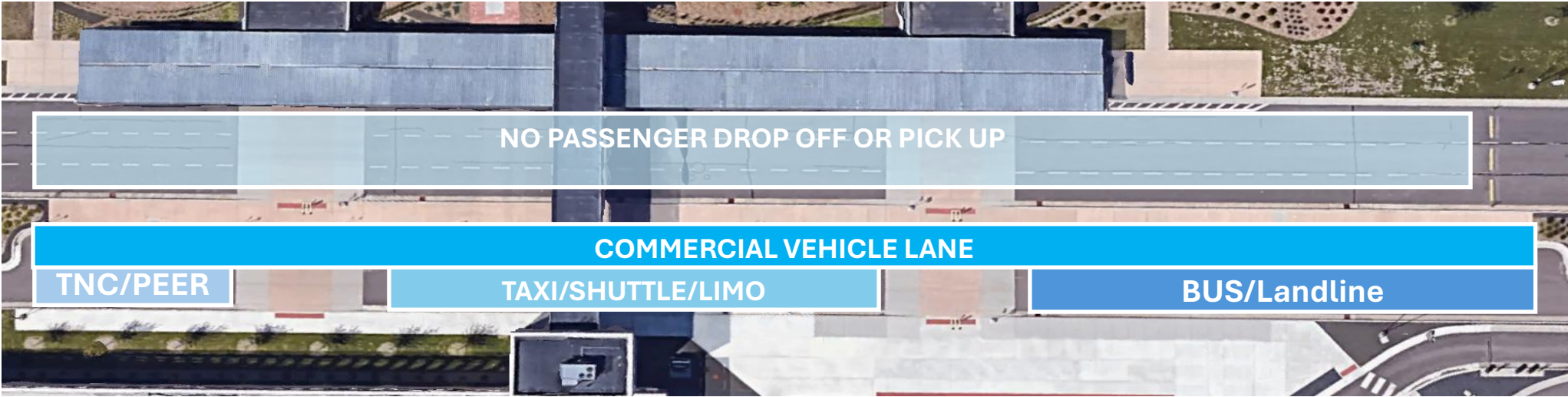
1. **First Offense:**  
A verbal warning will be issued by an Airport Security Officer.
2. **Second Offense:**  
A citation will be issued pursuant to Duluth Airport Authority Commercial Vehicle Ordinance NO. 001. This citation will include a monetary fine as specified in the Rates and Charges Schedule adopted annually by the Authority, which may be amended.
3. **Third Offense (and following):**  
A second citation will be issued, including a monetary fine as specified in the Rates and Charges Schedule adopted annually by the Authority, which may be amended.

### **SECTION 10: COMMERCIAL VEHICLE FEES**

All fees will be updated and approved annually by the Authority as part of the adoption of the Rates and Charges Schedule unless specified by separate agreement. Examples of fees that may be charged:

- A. Permit Fee
- B. Per Trip Fee

EXHIBIT A



## VII. - G.

### Resolution to Approve the 2026 Rates and Charges Schedule for DLH to Include Civil Penalties.

#### Executive Summary

***Terms:***

- Calendar year of 2026

***Overview:***

- 2026 Rates and Charges were approved at the November 2025 board meeting and require an update in support of the Commercial Vehicle Ordinance.

***Summary of Changes:***

- Civil Penalties section and fee was added in support of the Commercial Vehicle Ordinance and enforcement.
- Parking Violations were moved to the parking violation section of the document.



## DULUTH INTERNATIONAL AIRPORT

### 2026 Rates and Charges Schedule

Effective January 1, 2026 - Adopted November 18th, 2025 & Updated January 20, 2026

<b>Passenger Terminal Fees</b> (Per Square Foot)	Airline Leased Premises - Signatory	\$31.06	
	Airline Leased Premises - Non Signatory	\$38.83	
	Non-Airline Terminal Tenant Rate	\$46.46	
<b>Aircraft Landing Fee</b> (Per 1,000 lbs MGLW)	Signatory Carrier	\$2.60	
	Non-Signatory Carrier (125% more)	\$3.25	
	All Other Aircraft	\$3.25	
	Exemptions: Aircraft operated or chartered by the United States Federal Government or State of Minnesota and non-revenue generating aircraft under 12,500 lbs MGLW are exempt		
<b>Terminal Per Use Fees</b>	Non-Signatory Ticket Counter Per Use Fee	\$93.77	
<b>Aircraft Definitions</b>	<p><b>Signatory:</b> Aircraft covered by an Airline Use and Lease Agreement with the DAA or by an agreement with the DAA containing terms and conditions similar with those contained in such an agreement.</p> <p><b>Non-Signatory:</b> Aircraft using the Airport facilities that are not covered by an Airline Use and Lease Agreement with the DAA and not covered by an agreement with the DAA containing terms and conditions similar with those contained in such an agreement; diverted Airline aircraft not using the Airport Terminal; and commercial air carrier aircraft making regularly scheduled flights to the Airport. Any Non-Signatory aircraft utilizing the terminal must be reported by the ground handler.</p>		
<b>Terminal International Arrivals Facility Per Use Fee</b>	Less than 50,000 lbs. MGLW	\$75.00	
	50,001-175,000 lbs. MGLW	\$175.00	
	175,001 lbs. MGLW and above	\$275.00	
<b>Non-Terminal (FBO) International Arrivals Facility</b>	US Customs Facility (GAF)	\$0.00	
<b>Non-Terminal FBO &amp; DAA Ad Hoc Charged Aircraft Parking</b> (Per 1,000 lbs MGLW)	<u>Category by MGLW (lbs.)</u>	<u>Per Night (24 hour period)</u>	<u>Per Month (Calendar)</u>
	12,499 & Under	\$19.10	\$155.06
	12,500 - 49,999	\$80.90	\$651.69
	50,000 - 99,999	\$161.80	\$1,292.14
	100,000 & Over	\$331.46	\$2,646.08
<b>Fuel Flowage Fee</b> (Fee Per Gallon) Must have agreement with DAA.	FBO Charged In-to Plane Fee	\$0.090	
	FBO Charged Aviation, Heating & Auto Fuel Fee	\$0.090	
	Fee Per Gallon - Other Airport Operator	\$0.090	
<b>Preferential Use Cargo Ramp Fee Per Aircraft</b>		<u>Per Month (Calendar)</u>	
	Per Calendar Month Preferential Use Cargo Ramp Fee	\$1,745.00	
<b>Passenger Facility Charge</b>	Per Enplaned Commercial Passenger, Per FAA Approved PFC Application	\$4.50	
<b>DAA Owned Hangar Rental Rates (Per Each)</b> *\$50 Discount if paid in full by January 31 of lease year.	<u>Hangar Type</u>	<u>Per Month (Calendar)</u>	
	West T-Hangars*	\$230.00	
	East T-Hangars*	\$230.00	
	East Ranch Hangars*	\$295.00	
	4825 Airport Rd. Ranch Hangars (12ft high door)*	\$695.00	
	4825 Airport Rd. Ranch Hangars (14ft high door)*	\$721.00	
Other	Set by Lease Agreement		
<b>Airport Car Rental Customer Facility Charge (CFC)</b> (Full per day fee should be charged for each transaction day or any fraction thereof.)	Fee Per Car Rental Transaction Day	\$4.00	
	"Transaction Day" means a 24-hour period or fraction thereof for which a rental car customer is provided the use of a rental car for compensation regardless of the duration or length of the rental term. If the same rental car is rented to more than one customer within such continuous 24-hour period, then each such rental shall be calculated as a Transaction Day, except that a partial day that is a grace period of no more than 2 hours after the last 24-hour day booked shall not be considered a Transaction Day.		
<b>Rental Car Ready Return &amp; Overflow Fees (Per Each)</b> (Tax Not Included)		<u>Surface</u>	<u>Ramp</u>
	Per Month, Per Space Fee	\$19.77	\$20.94
<b>Parking Lot Fees</b> (Includes Tax)		<u>Surface</u>	<u>Ramp</u>
	Hourly Rate (Up to Daily Maximum)	\$3.00	\$6.00
	Daily Maximum	\$15.00	\$18.00
	Additional Drive-off Fee	\$125.00	\$125.00
<b>Parking Permits</b> (Includes Tax) *DAA Employees and DAA Directors are exempt for airport business		<u>Per Month (Calendar)</u>	<u>Annual</u>
	Corporate Surface Permit (Annual)		\$1,420.00
	Corporate Garage Permit (Annual)		\$2,350.00
	Airport Tenant Employee Permit (Annual)*		\$120.00
	Airline Crew Overnight Permit (Monthly or Annual)	\$51.00	\$612.00
	Tenant Commercial Parking Agreement (Monthly or Annual)	\$250.00	\$3,000.00
Airport Crew/Tenant Employee Parking Violation		\$25 + parking fees owed	
<b>Ground Transportation Fees &amp; Permits</b> (Includes Tax) (Permit/Operator Agreements are required)	Taxi/Limo/Hotel Shuttle Permit (Annual)	\$25.00	Per Each Vehicle
	Taxi/Limo/Hotel Shuttle Permit Per Trip Fee	\$1.50	Per Pick-Up & Drop-Off
	Passenger Shuttle Service Permit (Annual)	\$500.00	Per Each Vehicle
	Transportation Network Company Permit (Annual)	\$1,500.00	Per Company
	Transportation Network Company Per Trip Fee	\$2.50	Per Pick-Up & Drop-Off
	Peer-To-Peer Car Sharing Concession Fee	10% of Gross Revenue	Per Agreement
<b>Civil Penalties</b>	Civil Penalty for Violation of Commercial Vehicle Ordinance 001 (Per Occurrence)	\$240.00	



**DULUTH INTERNATIONAL AIRPORT**

**2026 Rates and Charges Schedule**

**Effective January 1, 2026 - Adopted November 18th, 2025 & Updated January 20, 2026**

<b>Business Services Club Pass</b> (Sponsorship Agreement Passes will not be charged)	Per Pass Fee to Access Business Services Club Room	\$150 per pass	
<b>Terminal Conference Room/Space Rates &amp; Fees</b> (20% Discount for Airport Tenants)	<u>Room/Space</u>	<u>0-4 Hours</u>	<u>4-8 Hours</u>
	1st Floor Baggage Claim - Wall Up	\$300.00	Per Agreement
	2nd Floor Secure Business Club Conference Room	\$40.00	\$80.00
	2nd Floor Mezzanine	\$250.00	\$350.00
	2nd Floor Conference Room - Room 250	\$100.00	\$150.00
	3rd Floor Conference Room - Amatuzio A	\$150.00	\$200.00
	3rd Floor Conference Room - Amatuzio B or C	\$100.00	\$200.00
	3rd Floor Conference Room - Amatuzio A+B	\$175.00	\$250.00
	3rd Floor Conference Room - Amatuzio B+C	\$175.00	\$250.00
	3rd Floor Conference Room - Amatuzio A+B+C	\$200.00	\$300.00
	2nd Floor Private Office (201 SF) - If vacant	\$50.00	\$75.00
	After Hours and Weekends Additional Fee (After 5pm and/or Sat. & Sun.)	\$50.00	\$100.00
<b>Fiber Internet:</b> (Contract required. Higher speeds available upon request with pricing established per contract)	<u>Internet Speed</u>	<u>Per Month (Calendar)</u>	
	100 MB Fiber Internet with 1 static IP address	\$120.00	
	200 MB Fiber Internet with 1 static IP address	\$180.00	
	Each Additional Static IP Address	\$24.95	
<b>Badging Fees</b> (DAA Employees, ARFF, CBP, Duluth PD, Fire & Public Works, USDA, & MN Air National Guard Badges are exempt)	SIDA & Sterile Badge	\$200.00	
	SIDA & Sterile Signatory Only	\$150.00	
	AOA Badge	\$125.00	
	AOA Signatory Only	\$65.00	
	Landside Badge	\$65.00	
	Incomplete	\$100.00	
	SIDA & Sterile Renewal	\$115.00	
	AOA Renewal	\$65.00	
	Emergency Renewal Additional Charge	\$60.00	
	Lost or Non-Returned Badge	\$125.00	
	Badge Handling Fee (ex: company change, access change, etc.)	\$65.00	
	Contractor Badge	\$175.00	
	Contractor Badge Handling Fee	\$150.00	
Contractor Badge Late Fee	\$125.00		
<b>Security Violation Sanction Fee</b>	Sanction Fee issued to lessee, tenant, operator, or business which violates the Airport Security Plan (ASP) at the Executive Director's Discretion	\$1,500.00	
	If at any point the DAA is issued a sanction or civil penalty, responsible tenants, operators or businesses responsible for violations will be required to reimburse the DAA for the amount of the sanction/fee or civil penalty imposed.	TBD based on imposed fee.	

VII. - H.

**Duluth Airport Authority  
DAA Board Packet Budget vs. Actual Summary  
From Jan 2025 to Nov 2025**

UNAUDITED							
Financial Row	Prior Year Actual (Jan 2024 - Nov 2024)	Current Year Actual (Jan 2025 - Nov 2025)	Budget Amount (Jan 2025 - Nov 2025)	% of Budget	Variance from Prior Year	Variance From Budget	Total Budget (FY 2025)
<b>Ordinary Income/Expense</b>							
<b>Income</b>							
Non-Aeronautical Revenue	3,847,980	4,137,331	3,581,490	115.52%	289,351	555,841	3,881,880
Non-Passenger Aeronautical Revenue	1,725,599	1,806,520	1,805,475	100.06%	80,921	1,045	1,954,234
Passenger Airline Aeronautical Revenue	1,668,890	1,697,446	1,650,248	102.86%	28,556	47,198	1,793,941
<b>Total - Income</b>	<b>7,242,469</b>	<b>7,641,297</b>	<b>7,037,214</b>	<b>108.58%</b>	<b>398,828</b>	<b>604,083</b>	<b>7,630,056</b>
<b>Gross Profit</b>	<b>7,242,469</b>	<b>7,641,297</b>	<b>7,037,214</b>	<b>108.58%</b>	<b>398,828</b>	<b>604,083</b>	<b>7,630,056</b>
<b>Expense</b>							
Miscellaneous Expenses	215,430	121,757	100,059	121.68%	(93,673)	21,698	106,140
Personnel Compensation & Benefits	2,878,446	2,572,446	2,851,932	90.20%	(305,999)	(279,486)	3,217,876
Services and Charges	2,615,862	2,464,163	2,432,502	101.30%	(151,699)	31,661	2,661,983
Supplies	586,217	606,741	583,867	103.92%	20,524	22,874	665,238
<b>Total - Expense</b>	<b>6,295,955</b>	<b>5,765,107</b>	<b>5,968,361</b>	<b>96.59%</b>	<b>(530,847)</b>	<b>(203,253)</b>	<b>6,651,236</b>
<b>Net Ordinary Income</b>	<b>946,514</b>	<b>1,876,190</b>	<b>1,068,853</b>	<b>175.53%</b>	<b>929,675</b>	<b>807,337</b>	<b>978,819</b>
<b>Other Income and Expenses</b>							
<b>Other Income</b>							
Non-Operating Revenue	730,328	691,789	638,958	108.27%	(38,539)	52,831	683,504
<b>Total - Other Income</b>	<b>730,328</b>	<b>691,789</b>	<b>638,958</b>	<b>108.27%</b>	<b>(38,539)</b>	<b>52,831</b>	<b>683,504</b>
<b>Other Expense</b>							
Non-Operating Expense	121,328	90,775	108,415	83.73%	(30,553)	(17,640)	118,271
<b>Total - Other Expense</b>	<b>121,328</b>	<b>90,775</b>	<b>108,415</b>	<b>83.73%</b>	<b>(30,553)</b>	<b>(17,640)</b>	<b>118,271</b>
<b>Net Other Income</b>	<b>609,000</b>	<b>601,014</b>	<b>530,543</b>	<b>113.28%</b>	<b>(7,986)</b>	<b>70,471</b>	<b>565,232</b>
<b>Net Income Exclusive of Project Expenses, Depreciation &amp; Amortization</b>	<b>1,555,514</b>	<b>2,477,203</b>	<b>1,599,396</b>	<b>154.88%</b>	<b>921,689</b>	<b>877,807</b>	<b>1,544,052</b>
Projects/Grants	21,286,825	16,538,654	16,176,011	102.24%	(4,748,172)	362,643	17,646,557
Depreciation & Amortization	(12,510,211)	0	(10,430,943)	0.00%	12,510,211	10,430,943	(11,379,210)
<b>Net Income</b>	<b>10,332,128</b>	<b>19,015,857</b>	<b>7,344,464</b>	<b>258.91%</b>	<b>8,683,729</b>	<b>11,671,393</b>	<b>7,811,399</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 \$877k.
- **Operating Revenue:** Non-Aeronautical Revenue is \$555k over budget overall. Concessions revenues are \$39k over budget, parking revenues are \$136k over budget, customer facility charges are \$113k over budget and rent is \$6k over budget. There is more state aid recorded in 2025 (\$225k) than previous years due to new reporting requirements with the state. Non-passenger aeronautical revenue is nearly flat with budget. Concessions are \$102k over budget while security reimbursements are down \$91k as the TSA LEO reimbursement program has not returned as budgeted and aviation gas is down \$10k. Passenger Airline Aeronautical revenue is \$53k over budget due to increased landing fees and per use fees. Operating Revenues are 604k over budget overall.
- **Operating Expenses:** Miscellaneous Expenses are \$21k over budget due to increased transaction fees and taxes related to the parking lot. Personnel Compensation and Benefits is \$279k under budget due to military leaves and as AIP grants have reimbursed \$52k. Supplies are \$22k over budget. Services and charges are \$31k over budget, mostly due to increased communications and technology as well as professional services and some repairs (grading at Building 311, parking equipment and paving projects). Operating expenses are \$203k under budget overall.
- **Non-Operating Revenue:** Non-operating revenue is over budget by \$52k. Interest income is \$6k under budget, and PFCs are over budget by \$45k. There was a gain on assets of 13k due to the sale of a piece of old equipment.
- **Non-Operating Expenses:** Non-Operating Expenses are under budget by 17k due to reduced interest expense as the line of credit has not been utilized in 2025.
- **Report Disclaimer:** The results of this report are expected to change slightly with delayed revenue and expense postings.
- **OPERATING POLICY #28 MINIMUM CASH BALANCE REPORTING BASED ON 2024 AUDITED FINANCIALS AS OF 1/08/2025:**
  - Minimum Cash Balance Goal: \$3,103,668 Current Balance: \$4,485,480 (does not include grants receivable)
  - Days Cash on Hand: 260 days currently vs 180 day benchmark (80 days OVER goal)
  - Grants Receivable are currently in excess of \$3M, mostly awaiting grant close out.

**Duluth Airport Authority**  
**Income Statement**  
**From Jan 2025 to Nov 2025**

Financial Row	Amount
Ordinary Income/Expense	
Income	
Non-Aeronautical Revenue	
Advertising Income	\$56,860.00
Concession Revenue	
ATM	\$433.50
Car Rental Concession	\$611,173.67
Car Sharing Concession	\$5,172.80
Food & Beverage Concession	\$96,127.29
Lottery Concessions	\$1,183.51
Per Departure Fee	\$2,390.00
Per Passenger Fee	\$20,400.00
Services/Other	\$1,054.08
TNC Per Trip Fee	\$17,616.00
Vending	\$9,406.76
Total - Concession Revenue	\$764,957.61
Customer Facility Charges	\$419,008.00
Miscellaneous Revenues	\$129,616.20
Parking	\$2,016,451.21
Permits	\$2,939.16
Reimbursed Expenses	\$60,416.63
Rent	\$159,571.96
Sponsorship Income	\$17,000.00
State Aid	\$510,543.88
Total - Non-Aeronautical Revenue	\$4,137,364.65
Non-Passenger Aeronautical Revenue	
Aviation Gas	\$61,005.62
Concession Revenue	
Aeronautical Supplies	\$5,057.40
Aircraft Parking	\$19,933.90
Deicing	\$4,777.92
Flight Training/Tour Operations	\$26,860.49
Fuel Flowage Fees	\$177,830.58
Hangar Rent	\$5,662.05
Landing Fees	\$62,365.02
Mechanic	\$1,855.54
Misc Sales/Other	\$10,778.34
Total - Concession Revenue	\$315,121.24
Event Income	\$47,523.04
FBO Parking	\$3,106.05
Float Storage	\$1,800.00
Landing Fees	\$39,376.06
Ramp Fees	\$18,645.00
Rent	\$1,314,723.21
Tie Downs	\$5,220.00
Total - Non-Passenger Aeronautical Revenue	\$1,806,520.22
Passenger Airline Aeronautical Revenue	
Landing Fees	\$393,243.01
Per Use Fee	\$13,253.60
Terminal Office/Space Rental	\$1,298,605.76
Total - Passenger Airline Aeronautical Revenue	\$1,705,102.37
<b>Total - Income</b>	<b>\$7,648,987.24</b>
Gross Profit	\$7,648,987.24
Expense	
Miscellaneous Expenses	\$121,756.89
Personnel Compensation & Benefits	

<b>Financial Row</b>	<b>Amount</b>
Benefit Administration Fees	\$244.80
Employer Contributions for Retirement	\$240,610.16
Employer Paid Insurance	\$445,017.75
Retiree Benefits	\$81,443.94
Unemployment Compensation	\$1,551.00
Wages & Salaries	\$1,776,238.87
Worker's Compensation	\$27,339.65
<b>Total - Personnel Compensation &amp; Benefits</b>	<b>\$2,572,446.17</b>
<b>Services and Charges</b>	
Advertising	\$1,379.00
Badging	\$5,000.00
Central Services Fee	\$122,100.00
Communications & Technology	\$272,288.69
Employee Development Services	\$68,133.19
Employee Physicals	\$1,232.00
Finance Charge	\$45.24
Insurance	\$129,808.29
Marketing	\$191,231.45
Professional Services	\$489,190.00
Rentals	\$14,649.98
Repairs and Maintenance - Contractual/Services	\$574,273.06
Sponsorship Expenses	\$6,496.00
Transportation	\$1,535.10
Utility Services	\$588,738.65
<b>Total - Services and Charges</b>	<b>\$2,466,100.65</b>
<b>Supplies</b>	
Merchandise for Resale	\$51,407.55
Office Supplies	\$31,510.31
Operating Supplies	\$139,265.70
Repairs & Maintenance Supplies	\$384,557.80
<b>Total - Supplies</b>	<b>\$606,741.36</b>
<b>Total - Expense</b>	<b>\$5,767,045.07</b>
<b>Net Ordinary Income</b>	<b>\$1,881,942.17</b>
<b>Other Income and Expenses</b>	
<b>Other Income</b>	
Capital Contributions	
Contributed Capital	\$136,265.20
Grants	\$16,478,905.41
<b>Total - Capital Contributions</b>	<b>\$16,615,170.61</b>
<b>Non-Operating Revenue</b>	
Gain/Loss on Asset Disposal	\$13,300.00
Interest Income	\$155,513.06
Passenger Facility Charges	\$522,993.74
<b>Total - Non-Operating Revenue</b>	<b>\$691,806.80</b>
<b>Total - Other Income</b>	<b>\$17,306,977.41</b>
<b>Other Expense</b>	
Non-Operating Expense	
Interest Expense	\$90,775.40
<b>Total - Non-Operating Expense</b>	<b>\$90,775.40</b>
<b>Total - Other Expense</b>	<b>\$90,775.40</b>
<b>Net Other Income</b>	<b>\$17,216,202.01</b>
<b>Net Income</b>	<b>\$19,098,144.18</b>

**Duluth Airport Authority**  
**Balance Sheet**  
**End of Nov 2025**

Financial Row	Amount
<b>ASSETS</b>	
Current Assets	
Bank	
Checking Account	\$259.99
Lottery Account	\$7,081.64
Petty Cash	\$267.95
Pooled Cash - City Balance	\$6,099,754.97
Total Bank	\$6,107,364.55
Accounts Receivable	
Accounts Receivable - Restricted PFC	\$80,977.59
Accounts Receivable Billed	\$1,086,165.91
Accrued Receivable	\$22,024.21
Grants Receivable	\$4,762,293.94
ST Lease Receivable	\$71,587.09
Total Accounts Receivable	\$6,023,048.74
Other Current Asset	
Inventory Assets	
Aviation Gas	\$5,627.95
Deice Fluid	\$34,170.00
Fuel & Supplies	\$19,417.80
Total - Inventory Assets	\$59,215.75
Prepaid Items	
Loan Payment	\$1,113.44
Prepaid Expense	\$25,958.66
Prepaid Insurance	\$60,197.07
Total - Prepaid Items	\$87,269.17
Undeposited Funds	\$197,953.11
Total Other Current Asset	\$344,438.03
Total Current Assets	\$12,474,851.32
Fixed Assets	
Accumulated Depreciation	(\$174,053,218.13)
Capital Assets	\$304,523,227.90
Work in Progress	\$22,108,748.50
Total Fixed Assets	\$152,578,758.27
Other Assets	
Accumulated Amortization	(\$3,594,955.92)
Airport Planning Projects - Contributed	\$5,526,680.49
Airport Planning Projects - Invested	\$982,460.54
Deferred Outflows - OPEB	\$158,721.00
Deferred Outflows - Pension	\$197,994.00
LT Lease Receivable	\$2,522,218.64
Total Other Assets	\$5,793,118.75
Total ASSETS	\$170,846,728.34
Liabilities & Equity	
Current Liabilities	
Accounts Payable	
Accounts Payable	\$153,200.29
Contracts Payable	\$2,765,458.04
Lottery Payable	\$4,625.18
Total Accounts Payable	\$2,923,283.51
Credit Card	\$456.46
Other Current Liability	
Accrued Compensated Absences	\$227,363.40
Accrued Interest	\$67,813.22
Accrued Sales Taxes Payable - All	\$14,833.00
Deferred Inflows - Lease Asset	\$2,460,963.94

<b>Financial Row</b>	<b>Amount</b>
Deferred Inflows - OPEB Liabilities	\$335,072.00
Deferred Inflows - Pension	\$575,636.00
Loans Payable to City of Duluth	
Hangar 103 Renovations	\$200,000.00
Parking Structure	\$300,000.00
Terminal Loan	\$480,000.00
Total - Loans Payable to City of Duluth	\$980,000.00
Unearned Revenue - Current	\$58,855.58
Unearned Revenue - Non Current	\$6,873.00
Total Other Current Liability	\$4,727,410.14
Total Current Liabilities	\$7,651,150.11
Long Term Liabilities	
LT Loans Payable to City of Duluth	
LT Hangar 103 Renovations	\$1,105,000.00
LT Parking Structure	\$635,000.00
LT Terminal Loan	\$490,000.00
Total - LT Loans Payable to City of Duluth	\$2,230,000.00
Net Pension Liability	\$792,240.00
Total Other Post Employment Benefit Liability	\$3,127,028.59
Total Long Term Liabilities	\$6,149,268.59
Equity	
Contributed Equity	\$16,621,668.70
Retained Earnings	\$121,326,548.32
Net Income	\$19,098,092.62
Total Equity	\$157,046,309.64
Total Liabilities & Equity	\$170,846,728.34

VII. - I.

**Duluth Airport Authority  
Duluth A/R Aging Report  
As of January 14, 2026**

<b>Customer</b>	<b>60 Days</b>	<b>90 Days</b>	<b>&gt;90 Days</b>	<b>Total</b>
	<b>Open Balance</b>	<b>Open Balance</b>	<b>Open Balance</b>	<b>Open Balance</b>
Aeronautical Radio, Inc.	\$0.00	\$0.00	\$0.00	\$4.78
Apter, Abbot	\$0.00	\$0.00	\$0.00	\$2,350.00
Avis Rent A Car	\$0.00	\$0.00	\$0.00	\$21,655.92
Bemidji Aviation	\$0.00	\$0.00	\$0.00	(\$1,090.89)
Black Tie Affairs, LLC	\$0.00	\$0.00	\$0.00	(\$130.00)
Brandt, Cody	\$0.00	\$0.00	\$0.00	\$51.00
Budget Rent A Car	\$0.00	\$0.00	\$0.00	\$8,675.04
Charter Next Generation Inc.	\$0.00	\$0.00	\$0.00	\$7,050.00
Cirrus Design Corporation	\$0.00	\$0.00	\$0.00	\$89,713.63
City of Duluth	\$1,878.15	\$0.00	\$0.00	\$3,756.30
Civil Air Patrol	(\$77.50)	\$0.00	\$380.85	\$808.98
Cohen, Marc	\$0.00	\$0.00	\$0.00	\$51.00
Crandell, Nancy	\$0.00	\$0.00	\$0.00	\$2,350.00
Delta Airlines	(\$7,074.13)	\$0.00	\$0.00	(\$34,328.02)
DeSutter, Peter	\$0.00	\$0.00	\$0.00	\$51.00
Divine Carriers	\$0.00	\$0.00	\$585.60	\$585.60
Duluth Hangar, LLC	\$0.00	\$0.00	\$0.00	\$919.72
Dunker, Christopher L	\$0.00	\$0.00	\$8,253.20	\$8,253.20
Ellefson, Nicholas	\$0.00	\$0.00	\$0.00	\$775.30
Enterprise Leasing Company	(\$26,491.24)	(\$3,169.89)	\$0.00	(\$18,096.24)
Federal Aviation Administration	\$17,910.75	\$17,910.75	\$0.00	\$53,732.25
FeraDyne Outdoors	\$0.00	\$0.00	\$0.00	\$7,050.00
General Services Administration	\$0.00	\$0.00	\$0.00	\$5,789.44
Goritchan Boris	\$0.00	\$0.00	\$2,004.00	\$2,004.00
Guest Services Inc, DBA Giants Ridge Rec	\$0.00	\$0.00	\$0.00	\$450.00
Hagberg, Rick	\$0.00	\$0.00	\$0.00	\$261.13
Hall John	\$0.00	\$0.00	\$0.00	\$321.42
Hatfield, Dan	\$0.00	\$0.00	\$0.00	\$261.13
Hillman Colin	\$0.00	\$0.00	\$0.00	\$317.00
Hunstad, Nicholas	\$0.00	\$0.00	\$0.00	\$118.34
Jauss Aviation Inc.	\$0.00	\$0.00	\$0.00	(\$1,300.00)
Johnson, Richard	\$0.00	\$0.00	\$0.00	\$597.79
Johnston, Paul	\$130.00	\$0.00	\$0.00	\$141.99
Karsell, Kris	\$136.84	\$0.00	\$0.00	\$136.84
Lake Superior College	\$0.00	\$0.00	\$0.00	\$35,191.40
Lake Superior Helicopters	\$0.00	\$0.00	\$0.00	\$6,612.02
Lake Superior Warehousing CO., Inc.	\$0.00	\$0.00	\$0.00	\$2,350.00
Marsden Central, LLC	\$0.00	\$0.00	\$0.00	\$500.00
Maurices, Inc.	\$0.00	\$0.00	\$0.00	\$2,350.00
McCoshen, J.M.	\$0.00	\$0.00	\$0.00	\$2,350.00
MediaUSA Advertising Inc	\$1,822.00	\$0.00	\$0.00	\$1,822.00
Messerer Jon	(\$0.58)	\$0.00	\$0.00	(\$0.58)
Miner's Outdoor Adventures, LLC	\$0.00	\$0.00	\$0.00	\$4,543.10
Minnesota Air National Guard	\$2,411.58	\$0.00	\$0.00	\$13,303.04
Minnesota Department of Transportation	\$1,316,487.37	\$248,996.29	\$1,761,010.78	\$3,433,041.10

Minnesota Power	\$0.00	\$0.00	\$0.00	<b>\$523.59</b>
MN State Lottery	\$0.00	\$0.00	\$1,000.00	<b>\$1,000.00</b>
Northland Constructors, Inc.	\$0.00	\$0.00	\$0.00	<b>\$181.50</b>
Oakwells CR, LLC	\$0.00	\$0.00	\$0.00	<b>\$2,567.67</b>
Opack Matthew Jr.	\$0.00	\$0.00	\$0.00	<b>\$260.75</b>
Palmer, John	\$0.00	\$0.00	\$0.00	<b>\$260.75</b>
Parthe, Lance	\$0.00	\$0.00	\$0.00	<b>\$336.66</b>
Patnaude, Jason	\$0.00	\$0.00	\$0.00	<b>\$51.00</b>
Payne, Robert	\$0.00	\$0.00	\$0.00	<b>\$12.27</b>
Pfaltzgraff, George	\$0.00	\$0.00	\$0.00	<b>\$775.30</b>
Plucinak, Joseph	\$0.00	\$0.00	\$0.00	<b>\$775.30</b>
Rasier, LLC	\$1.50	\$0.00	\$0.00	<b>(\$2,148.00)</b>
RS&H	\$0.00	\$0.00	\$0.00	<b>\$2,792.18</b>
Safstrom Jon	\$0.00	\$0.00	\$0.00	<b>\$414.13</b>
SEH	\$0.00	\$0.00	\$0.00	<b>\$115.00</b>
Stevens, Mike	\$0.00	\$0.00	\$0.00	<b>\$261.13</b>
Sun Country, Inc. dba Sun Country Airlines	\$0.00	\$0.00	\$0.00	<b>\$7,776.17</b>
Sydow Dan	\$0.00	\$0.10	\$0.00	<b>\$336.76</b>
Teitelbaum, Mike	\$0.00	\$0.00	\$0.00	<b>\$51.00</b>
Thain, Andrew	\$0.00	\$0.00	\$0.00	<b>\$51.00</b>
The Landline Company	\$601.47	\$0.00	\$0.00	<b>\$4,887.78</b>
Tom Sullivan	\$0.00	\$0.00	\$0.00	<b>\$325.00</b>
Transportation Security Administration	\$0.00	\$0.00	\$0.00	<b>\$2,645.24</b>
unifi	\$0.00	\$0.00	\$0.00	<b>\$6,000.00</b>
United Airlines	(\$1,934.45)	\$0.00	\$0.00	<b>(\$3,868.90)</b>
Valentine, Ian	\$0.00	\$0.00	\$0.00	<b>\$51.00</b>
Vantage DLH LLC	\$0.00	\$0.00	\$0.00	<b>\$29,805.13</b>
Wiermaa, Jordan	\$0.00	\$0.00	\$0.00	<b>\$261.13</b>
Williams, Ron	\$0.00	\$0.00	\$0.00	<b>\$261.13</b>
Winter Investments LLC	\$0.00	\$0.00	\$0.00	<b>\$775.30</b>
WLSSD	\$12,608.90	\$0.00	\$0.00	<b>\$12,608.90</b>
<b>Total</b>	<b>\$1,318,410.66</b>	<b>\$263,737.25</b>	<b>\$1,773,234.43</b>	<b>\$3,735,495.60</b>

VII. - J.

Year to Date Airline Statistics

Month	DELTA					UNITED					SUN COUNTRY				
	2025 Enplanements		2025 Deplanements		Total	2025 Enplanements		2025 Deplanements		Total	2025 Enplanements		2025 Deplanements		Total
	Revenue	Non Rev	Revenue	Non Rev		Revenue	Non Rev	Revenue	Non Rev		Revenue	Non Rev	Revenue	Non Rev	
JAN	7,250	142	6,684	140	14,216	3,009	52	2,796	46	5,903	182	-	44	-	226
FEB	6,845	146	6,583	160	13,734	2,875	104	2,845	91	5,915	1,289	1	1,256	4	2,550
MAR	7,522	175	7,269	175	15,141	3,259	104	3,488	103	6,954	1,474	-	1,589	3	3,066
APR	7,067	155	7,352	191	14,765	3,345	101	3,496	76	7,018	433	-	718	-	1,151
MAY	7,852	120	8,304	111	16,387	4,093	71	3,835	94	8,093	-	-	-	-	-
JUN	7,487	153	7,578	143	15,361	4,705	140	4,469	144	9,458	-	-	-	-	-
JUL	7,914	146	8,164	190	16,414	5,705	151	5,736	123	11,715	-	-	166	1	167
AUG	8,308	146	8,043	148	16,645	4,669	109	4,772	117	9,667	-	-	-	-	-
SEP	8,048	172	7,600	192	16,012	5,249	90	5,513	97	10,949	-	-	-	-	-
OCT	8,116	214	7,679	228	16,237	5,235	85	5,021	91	10,432	-	-	-	-	-
NOV	6,592	171	6,522	189	13,474	3,350	78	3,300	88	6,816	-	-	-	-	-
DEC	6,412	178	6,447	199	13,236	2,531	56	2,406	77	5,070	-	-	-	-	-
Total	89,413	1,918	88,225	2,066	181,622	48,025	1,141	47,677	1,147	97,990	3,378	1	3,773	8	7,160

Month	CHARTERS					2025 Total Passenger Data Including Charters							2024 - 2025 Difference		
	2025 Enplanements		2025 Deplanements		Total	2025 Enplanements			2025 Deplanements			Total Passenger	Enplanements	Deplanements	Total Passengers
	Revenue	Non Rev	Revenue	Non Rev		Rev	Non Rev	Total	Rev	Non Rev	Total				
JAN	172	-	173	-	345	10,613	194	10,807	9,697	186	9,883	20,690	2,509	2,314	4,823
FEB	-	-	-	-	-	11,009	251	11,260	10,684	255	10,939	22,199	2,142	1,063	3,205
MAR	182	-	178	-	360	12,437	279	12,716	12,524	281	12,805	25,521	2,257	2,361	4,618
APR	179	-	179	-	358	11,024	256	11,280	11,745	267	12,012	23,292	565	974	1,539
MAY	184	-	184	-	368	12,129	191	12,320	12,323	205	12,528	24,848	2,367	1,674	4,041
JUN	-	-	-	-	-	12,192	293	12,485	12,047	287	12,334	24,819	1,368	960	2,328
JUL	-	-	-	-	-	13,619	297	13,916	14,066	314	14,380	28,296	659	481	1,140
AUG	-	-	-	-	-	12,977	255	13,232	12,815	265	13,080	26,312	(2,371)	(2,485)	(4,856)
SEP	157	-	157	-	314	13,454	262	13,716	13,270	289	13,559	27,275	(804)	(142)	(946)
OCT	182	-	182	-	364	13,533	299	13,832	12,882	319	13,201	27,033	(303)	(520)	(823)
NOV	137	-	137	-	274	10,079	249	10,328	9,959	277	10,236	20,564	(1,314)	(1,549)	(2,863)
DEC	-	-	-	-	-	8,943	234	9,177	8,853	276	9,129	18,306	(772)	(706)	(1,478)
Total	1,193	-	1,190	-	2,383	142,009	3,060	145,069	140,865	3,221	144,086	289,155	6,303	4,425	10,728

# 2025 Landline Passengers

## Arrivals

## Departures

	Arrivals				Departures				2024 Grand		
	Revenue	Non-Rev	Seats (AU)	Total	Revenue	Non-Rev	Seats (AU)	Total	Grand Total	Total	Inc /Dec
January	378	9	1,012	387	653	7	1,012	660	1,047	1,208	(161)
February	427	9	1,058	436	622	5	1,058	627	1,063	1,346	(283)
March	476	18	1,196	494	689	11	1,196	700	1,194	1,364	(170)
April	504	9	920	513	477	7	920	484	997	1,315	(318)
May	404	8	966	412	288	7	966	295	707	1,213	(506)
June	368	7	1,012	375	329	8	1,012	337	712	1,140	(428)
July	380	5	966	385	433	8	966	441	826	1,343	(517)
August	320	12	1,058	332	461	11	1,058	472	804	1,160	(356)
September	212	3	782	215	264	8	782	272	487	700	(213)
October	315	8	966	323	494	10	966	504	827	950	(123)
November	367	9	1,058	376	390	12	1,058	402	778	994	(216)
December	363	9	980	372	468	8	980	476	848	1,602	(754)
	<b>4,514</b>	<b>106</b>	<b>11,974</b>	<b>4,620</b>	<b>5,568</b>	<b>102</b>	<b>11,974</b>	<b>5,670</b>	<b>10,290</b>	<b>14,335</b>	<b>(4,045)</b>