



**REQUEST FOR PROPOSALS (RFP) LOT 8 HANGAR DEVELOPMENT
AT SKY HARBOR AIRPORT & SEAPLANE BASE**

ISSUE DATE: October 22, 2018

ON SITE PRE PROPOSAL VISIT: Granted upon request (non-mandatory) must be completed prior to November 9, 2018, 3:00pm CST

WRITTEN QUESTIONS/COMMENTS DUE: November 12, 2018, at 3:00pm CST

RESPONSES DUE BACK: November 16, 2018, at 3:00pm CST

PROPOSAL DUE DATE: November 30, 2018 at 3:00pm CST

PROPOSAL AWARD NOTIFICATIONS: January 2, 2018 at 3:pm CST

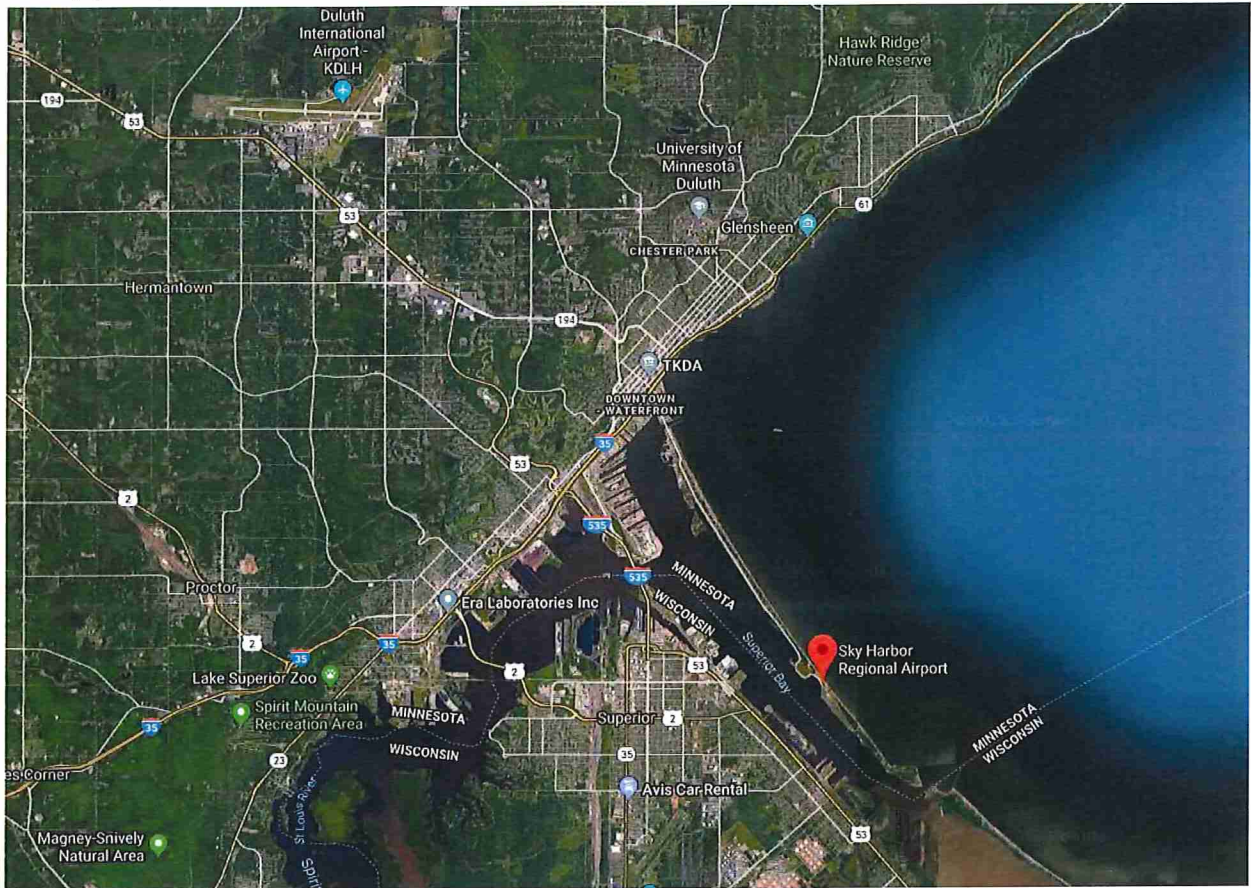
MAILING ADDRESS: 3 Copies to:
Duluth Airport Authority
Attn: Jana Kayser
4701 Grinden Drive
Duluth, MN 55811

CONTACT: Jana Kayser
Duluth Airport Authority
jkayser@duluthairport.com
218-625-7775

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- I. **Background:** The Sky Harbor Airport and Seaplane Base (Airport) is located just over four miles southeast of Duluth Minnesota's Canal Park Aerial Lift Bridge at the end of Park Point on the shores of beautiful Lake Superior. The Airport is owned by the City of Duluth and operated by the Duluth Airport Authority (DAA).



The Airport is certified as a General Aviation Airport and Seaplane Base. The Airport is served by one asphalt runway, (Runway 14/32; 2,600 feet long x 60 feet wide), and two water runways, (Water Runway 13/31; 10,000 feet long x 2,000 feet wide) (Water Runway 09/27; 5,000 feet long x 1,500 feet wide).

Other Amenities at Sky Harbor:

- 24/7 Fuel & Pilot Services- Fuel up with Avgas 100 low lead fuel, with self-service available around the clock via credit card payment. The pilot's lounge is also open 24 hours.
- U.S. Customs (inbound) - U.S. Customs are available with advanced notice.
- Tiedown Service
- Vending Machine

The Sky Harbor Airport is currently conducting a runway construction project however that will not impact the Seaplane Base or any construction of a new hangar on Lot 8. The final phase of the runway construction project will take place in the fall of 2019 and will consist of Runway 14/32 closure estimated to only be 2 to 3 weeks. The final brand new asphalt runway will have a length of 2600 feet and width of 60 feet.

- II. General Provisions: The Duluth Airport Authority is soliciting proposals from interested parties (Proposers) who may be interested in leasing land to develop a private aircraft hangar on Lot 8 (Site) located at the Sky Harbor Airport. The proposed Site is identified on the attached Exhibit B.
- III. Utilities: Available utilities are also shown in Exhibit B. Electricity can be brought to the site from a transformer, with 240/120 split phase service, located behind hangar 10. City water runs through a 6 inch pipe from the parking lot, near hangar 1, under the apron along the hangars, and ends between hangars 10 and 11. All requirements for a fire suppression system will be determined solely by the Duluth Fire Marshall. Phone lines are available and the nearest junction box is located at the Site. All utilities brought from the main utility location to the site are the responsibility of the Proposer. There is no space for septic systems to be installed for the proposed hangar. Public restrooms are available at hangar 1.
- IV. Site: Hangar 8 Site is depicted in Exhibit B. The legal boundary is stated below:

Beginning at the southeasterly corner of the Duluth Airport Authority Hangar Concrete Ramp at the Sky Harbor Airport: Thence southeasterly along the northeast edge of the bituminous aircraft parking ramp 485' 11" to the point of beginning of the line described. Then deflect 90 degrees to the left and go 105' 0" to a point, then deflect 90 degrees to the right and go 80' 0" to a point, the deflect 90 degrees to the right and go 105' 0" to a point, then deflect 90 degrees to the right and go 80' 0" to the point of beginning, consisting of 8,400 square feet, more or less.

The Site is 105 feet by 80 feet for a total of 8,400 square feet. The minimum hangar size must be at least 50 feet by 60 feet. Site elevations are provided on Exhibit C and FAA height restrictions are available on Exhibit D.

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

- VI. Maintenance: Maintenance of the site and proposed hangar are the sole responsibility of the Proposer, such as but not limited to, trash removal, snow removal, mowing, painting, and general up keep.
- VII. Use: The Site and hangar must be used for an aeronautical purpose. The Proposer must state in the proposal if the Site and hangar will be used for private or commercial aeronautical use. An Aviation related business use is encouraged but not a requirement of a successful proposal. If commercial aeronautical use is desired; an operator agreement will be required between operator and the DAA. Operator agreement to include concession fee paid to DAA based on operations at Sky Harbor.
- VIII. Land Lease Agreement: Successful proposer will be required to enter into a Land Lease agreement with DAA for lease of land at the Site.
Exhibit F is a sample of a land lease document (or suggested language) including special terms and conditions expected to be incorporated in the lease agreement. The Land Lease proposed terms are as follows:
Term: Base Ten (10) Years with one (1) optional 10 year term beyond the base term.
Rate: For the term of the agreement, the Lessee agrees to pay rent on the Leased Premises in the amount of \$.21 cents per square foot (8,400 square feet) per year (prorated for portions thereof). Annual rate changes subject to Consumer Price Index.
Insurance: Refer to Section 8 and 9 of Exhibit F for insurance requirements
- IX. Submittal Information: The proposals received from this RFP may be used in the development of a formal selection of a new hangar tenant for the Airport. **The following items are required to be submitted as part of your proposal:**
- a. FAA Form 7460-1 Notice of Proposed Construction or Alteration:
 - i. Must provide copy of completed form and proof it was submitted to the FAA for approval. Included as Exhibit E.
 - b. Construction Details:
 - i. Provide a basic outline of the facilities you are proposing at the Airport including the type of facility, size, approximate cost and timeline to construct.
 - ii. Please include a simple site plan with your proposal. Please note for purposes of this proposal engineered drawings are not a requirement however the City of Duluth may require them for building permit application. All licenses and permits will be the sole responsibility of the Proposer.
 - c. Ownership Status:
 - i. The Proposer must complete and submit the General Information Questionnaire Form, included as Exhibit A with the proposal.
 - d. Financial Information:
 - i. The Proposer will be required to demonstrate that it is financially capable of performing the obligations contained within this RFP. The determination of the Proposer's financial

qualifications and ability to execute a Land Lease Agreement will be in the sole discretion of the DAA.

- ii. The Proposer shall provide a written certification from Proposer's lender that the Proposer has the financial ability to consummate the transaction and pay the lease price to the DAA.
- iii. If self funding, the Proposer shall submit with its proposal, a written statement from the bank where funds are kept, representing that the Proposer has the financial ability to consummate the transaction and pay the lease price to the DAA.

e. New Specialized Aviation Service Operation (SASO):

- i. If applicable, please provide a detailed narrative description of any services that will be provided.
- ii. Any new SASO must have a Commercial Aeronautical Operator Agreement with the DAA.
- iii. Please provide a detailed business plan with the proposal. Aviation related business use is encouraged but not a requirement of a successful proposal.

X. Award Criteria: The following criteria will be used by the RFP Evaluation Committee during the evaluation and selection process:

Criteria Weight	
Proposed Development for Property	30 points
Financial Ability to Perform	30 points
Schedule	30 points
Complete RFP Submission	10 points

Each Proposer will be ranked according to the evaluation criteria. The highest ranking Proposer will be recommended to enter into Land Lease Agreement negotiations with DAA.

Proposed Development for Property: Proposers will be evaluated on the design and scope of hangar development proposed. The Evaluation Committee will evaluate the proposed hangar development of the property for compliance where necessary. The Proposer should be prepared to discuss these plans before the Evaluation Committee, if requested.

Financial Ability to Perform: The Evaluation Committee will evaluate financial statements from certified lenders or banks to determine the Proposer's ability to financially perform under the lease.

Schedule: Proposers will be evaluated on the schedule of the proposed hangar construction.

Complete RFP Submission: The Evaluation Committee will award discretionary points to proposers who provide exceptional detail and who complete all required documentation.

The DAA reserves and may exercise the following rights and options: (i) to reject any and all proposals and reissue the RFP at any time prior to execution of a final Land Lease Agreement if, in the DAA's sole opinion, it is in the DAA's best interest to do so; (ii) to supplement, amend, substitute, or otherwise modify this RFP at any time prior to selection of one or more proposer for negotiation and (iii) to cancel this RFP with or without issuing another RFP; (iv) to reject the proposal of any proposer who, in the DAA's sole judgment, has been delinquent or unfaithful in the performance of any contract with the DAA, is financially or technically incapable or is otherwise not a responsible responder; (v) To reject as informal or non-responsive, any proposal which, in the DAA's sole judgment, is incomplete, is not in conformity with applicable law, is conditional in any way, or deviates from the mandated requirements of the RFP and; (vi) to waive any informality, defect, non-responsiveness and/or deviation from this RFP that is not, in the DAA's sole judgment, material to the proposal.

****All costs associated with the development of the RFP response will be the sole responsibility of the Proposer***

****Any exceptions to the specifications included in the RFP must be clearly stated in the proposal***

****If Proposer does not commence or complete the project within sixty (60) days of the proposed date included in the proposal the Proposer will be considered in default and the proposal will be rejected.***

**EXHIBIT A
GENERAL INFORMATION QUESTIONNAIRE**

NAME OF PROPOSER:

_____ *(EXACTLY AS IT WOULD APPEAR ON AGREEMENT)*

PRINCIPAL ADDRESS:

Legal Structure of Entity:

_____ *(EXAMPLE: PRIVATE, CORPORATION, OR LLC)*

PRIMARY CONTACT

NAME:

POSITION:

TELEPHONE:

FAX:

EMAIL:

ALTERNATE CONTACT

CONTACT NAME:

POSITION:

TELEPHONE:

FAX:

EMAIL:

Proposer's Operating Name If Applicable

Proposer has operated under its current name since _____, a period of _____ years, and Proposer (if such be the case) formerly operated under the name _____.

Proposer has provided similar services as requested in this RFP for _____ years.

Current Litigation*

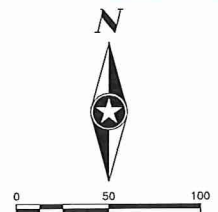
The Proposer is is not currently involved in litigation. (If the answer is in the affirmative, please identify the business location and give such information as is required to explain the circumstances.)

(Use additional sheet(s) to explain circumstances if necessary.)

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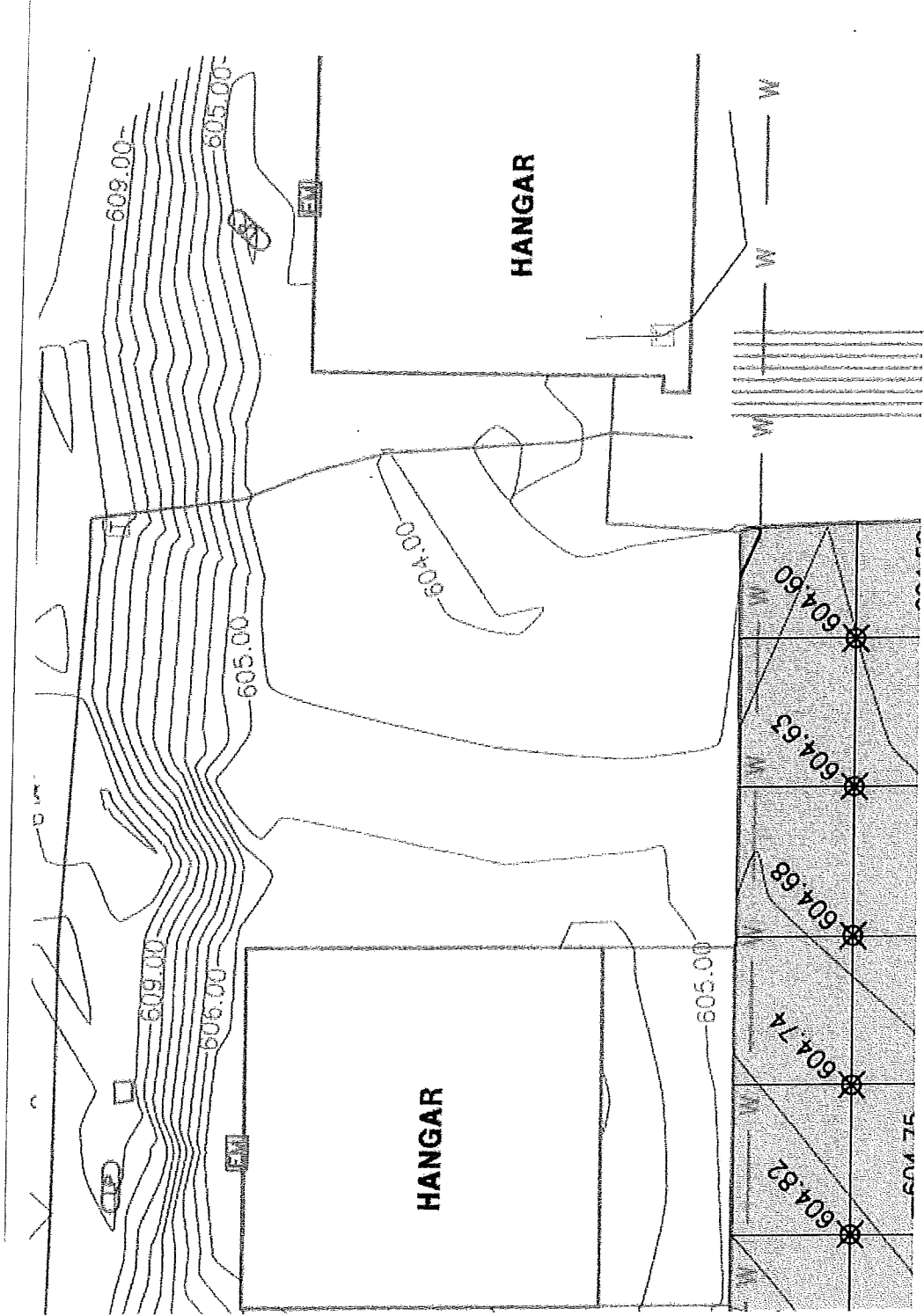
Beginning at the southeasterly corner of the Duluth Airport Authority Hangar Concrete Ramp at the Sky Harbor Airport: Thence southeasterly along the northeast edge of the bituminous aircraft parking ramp 485' 11" to the point of beginning of the line described. Then deflect 90 degrees to the left and go 105' 0" to a point, then deflect 90 degrees to the right and go 80' 0" to a point, then deflect 90 degrees to the right and go 105' 0" to a point, then deflect 90 degrees to the right and go 80' 0" to the point of beginning, consisting of 8,400 square feet, more or less.



SKY HARBOR AIRPORT
PROPOSED HANGAR LOCATION
DULUTH, MINNESOTA

EXHIBIT B

EXHIBIT C



EXISTING BUILDING TABLE

NO.	DESCRIPTION	BUILDING ELEVATION	DISPOSITION
1	ARRIVAL/DEPARTURE BUILDING AND HANGAR	620.0'	TO REMAIN
2	PRIVATE HANGAR	620.0'	TO REMAIN
3	PRIVATE HANGAR	620.0'	TO REMAIN
4	PRIVATE HANGAR	620.0'	TO REMAIN
5	PRIVATE HANGAR	620.0'	TO REMAIN
6	PRIVATE HANGAR	620.0'	TO REMAIN
7	PRIVATE HANGAR	620.0'	TO REMAIN
8	PRIVATE HANGAR	620.0'	TO REMAIN
9	PRIVATE HANGAR	620.0'	TO REMAIN
10	PRIVATE HANGAR	620.0'	TO REMAIN

FUTURE BUILDING TABLE

NO.	DESCRIPTION	BUILDING ELEVATION	DISPOSITION
11	PRIVATE HANGAR	620.0 EST.	TO BE CONSTRUCTED
12	PRIVATE HANGAR	620.0 EST.	TO BE CONSTRUCTED
13	PRIVATE HANGAR	620.0 EST.	TO BE CONSTRUCTED
14	PRIVATE HANGAR	620.0 EST.	TO BE CONSTRUCTED
15	PRIVATE HANGAR	620.0 EST.	TO BE CONSTRUCTED

NOTE: FUTURE BUILDINGS SHOULD BE CONSTRUCTED TO A TOP ELEVATION OF LESS THAN THE FUTURE TRANSITIONAL SURFACE.

LEGEND

EXISTING	FUTURE
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NOTE:
 AVIS CRITICAL AREAS (ORDER 6000 2002):
 AREA WITHIN 16 FEET OF SENSOR MUST BE FREE OF ALL VEGETATION
 WITHIN 100 FEET OF SENSOR ALL VEGETATION MUST BE CLIPPED TO A HEIGHT OF 10 FEET LOWER THAN THE HEIGHT OF THE SENSOR
 WITHIN 500 FEET OF THE SENSOR, IT IS DESIRABLE THAT ALL OBJECTS BE AT LEAST 15 FEET LOWER THAN THE HEIGHT OF THE SENSOR
 BE NO THINER THAN THE SENSOR
 BE NO TALLER THAN THE SENSOR
 THE AVIS SHOULD BE RELOCATED PRIOR TO CONSTRUCTION OF ALDOS, 11-FE

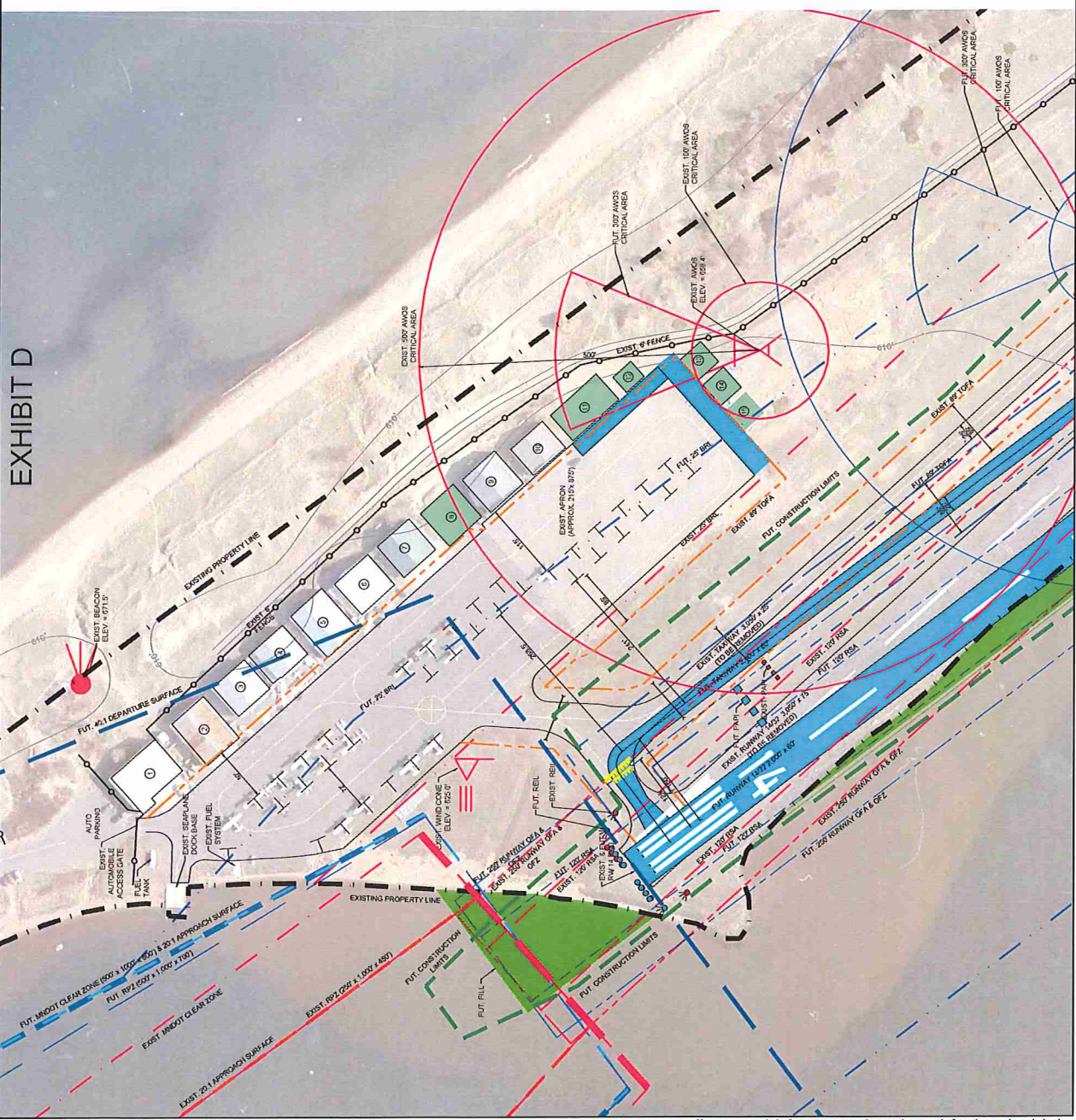
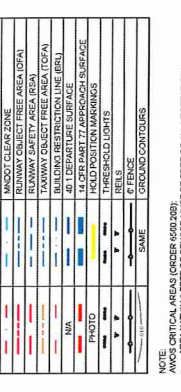


EXHIBIT D

EXHIBIT E

NOTICE OF PROPOSED CONSTRUCTION OR ALTERATION

§ 77.7 Form and time of notice.

(a) If you are required to file notice under §77.9, you must submit to the FAA a completed FAA Form 7460-1, Notice of Proposed Construction or Alteration. FAA Form 7460-1 is available at FAA regional offices and on the Internet.

(b) You must submit this form at least 45 days before the start date of the proposed construction or alteration or the date an application for a construction permit is filed, whichever is earliest.

(c) If you propose construction or alteration that is also subject to the licensing requirements of the Federal Communications Commission (FCC), you must submit notice to the FAA on or before the date that the application is filed with the FCC.

(d) If you propose construction or alteration to an existing structure that exceeds 2,000 ft. in height above ground level (AGL), the FAA presumes it to be a hazard to air navigation that results in an inefficient use of airspace. You must include details explaining both why the proposal would not constitute a hazard to air navigation and why it would not cause an inefficient use of airspace.

(e) The 45-day advance notice requirement is waived if immediate construction or alteration is required because of an emergency involving essential public services, public health, or public safety. You may provide notice to the FAA by any available, expeditious means. You must file a completed FAA Form 7460-1 within 5 days of the initial notice to the FAA. Outside normal business hours, the nearest flight service station will accept emergency notices.

§ 77.9 Construction or alteration requiring notice.

If requested by the FAA, or if you propose any of the following types of construction or alteration, you must file notice with the FAA of:

(a) Any construction or alteration that is more than 200 ft. AGL at its site.

(b) Any construction or alteration that exceeds an imaginary surface extending outward and upward at any of the following slopes:

(1) 100 to 1 for a horizontal distance of 20,000 ft. from the nearest point of the nearest runway of each airport described in paragraph (d) of this section with its longest runway more than 3,200 ft. in actual length, excluding heliports.

(2) 50 to 1 for a horizontal distance of 10,000 ft. from the nearest point of the nearest runway of each airport described in paragraph (d) of this section with its longest runway no more than 3,200 ft. in actual length, excluding heliports.

(3) 25 to 1 for a horizontal distance of 5,000 ft. from the nearest point of the nearest landing and takeoff area of each heliport described in paragraph (d) of this section.

(c) Any highway, railroad, or other traverse way for mobile objects, of a height which, if adjusted upward 17 feet for an Interstate Highway that is part of the National System of Military and Interstate Highways where overcrossings are designed for a minimum of 17 feet vertical distance, 15 feet for any other public roadway, 10 feet or the height of the highest mobile object that would normally traverse the road, whichever is greater, for a private road, 23 feet for a railroad, and for a waterway or any other traverse way not previously mentioned, an amount equal to the height of the highest mobile object that would normally traverse it, would exceed a standard of paragraph (a) or (b) of this section.

(d) Any construction or alteration on any of the following airports and heliports:

(1) A public use airport listed in the Airport/Facility Directory, Alaska Supplement, or Pacific Chart Supplement of the U.S.

Government Flight Information Publications;

(2) A military airport under construction, or an airport under construction that will be available for public use;

(3) An airport operated by a Federal agency or the DOD.

(4) An airport or heliport with at least one FAA-approved instrument approach procedure.

(e) You do not need to file notice for construction or alteration of:

(1) Any object that will be shielded by existing structures of a permanent and substantial nature or by natural terrain or topographic features of equal or greater height, and will be located in the congested area of a city, town, or settlement where the shielded structure will not adversely affect safety in air navigation;

(2) Any air navigation facility, airport visual approach or landing aid, aircraft arresting device, or meteorological device meeting FAA-approved siting criteria or an appropriate military service siting criteria on military airports, the location and height of which are fixed by its functional purpose;

(3) Any construction or alteration for which notice is required by any other FAA regulation.

(4) Any antenna structure of 20 feet or less in height, except one that would increase the height of another antenna structure.

Mail Processing Center
Federal Aviation Administration
Southwest Regional Office
Obstruction Evaluation Group
10101 Hillwood Parkway
Fort Worth, TX 76177
Fax: (817) 222-5920

Website: <https://oaaaa.faa.gov>

INSTRUCTIONS FOR COMPLETING FAA FORM 7460-1

PLEASE TYPE or PRINT

ITEM #1. Please include the name, address and phone number of a personal contact point as well as the company name.

ITEM #2. Please include the name, address and phone number of a personal contact point as well as the company name.

ITEM #3. New Construction would be a structure that has not yet been built.

Alteration is a change to an existing structure such as the addition of a side mounted antenna, a change to the marking and lighting, a change to power and/or frequency, or a change to the height. The nature of the alteration shall be included in ITEM #21 "Complete Description of Proposal".

Existing would be a correction to the latitude and/or longitude, a correction to the height, or if filing on an existing structure which has never been studied by the FAA. The reason for the notice shall be included in ITEM #21 "Complete Description of Proposal".

ITEM #4. If Permanent, so indicate. If Temporary, such as a crane or drilling derrick, enters the estimated length of time the temporary structure will be up.

ITEM #5. Enter the date that construction is expected to start and the date that construction should be completed.

ITEM #6. Please indicate the type of structure. DO NOT LEAVE BLANK.

ITEM #7. In the event that obstruction marking and lighting is required, please indicate type desired. If no preference, check "other" and indicate "no preference" DO NOT LEAVE BLANK. NOTE: High Intensity lighting shall be used only for structures over 500' AGL. In the absence of high intensity lighting for structures over 500' AGL, marking is also required.

ITEM #8. If this is an existing tower that has been registered with the FCC, enter the FCC Antenna Structure Registration number here.

ITEM #9 and #10. Latitude and longitude must be geographic coordinates, accurate to within the nearest second or to the nearest hundredth of a second if known. Latitude and longitude derived solely from a hand-held G P S instrument is NOT acceptable. A hand-held GPS is only accurate to within 100 meters (328 feet) 95 percent of the time. This data, when plotted, should match the site depiction submitted under ITEM #20.

ITEM #11. NAD 83 is preferred; however, latitude and longitude may be submitted in NAD 27. Also, in some geographic areas where NAD 27 and NAD 83 are not available other datum may be used. It is important to know which datum is used. DO NOT LEAVE BLANK.

ITEM #12. Enter the name of the nearest city and state to the site. If the structure is or will be in a city, enter the name of that city and state.

ITEM #13. Enter the full name of the nearest public-use (not private-use) airport or heliport or military airport or heliport to the site.

ITEM #14. Enter the distance from the airport or heliport listed in #13 to the structure.

ITEM #15. Enter the direction from the airport or heliport listed in #13 to the structure.

ITEM #16. Enter the site elevation above mean sea level and expressed in whole feet rounded to the nearest foot (e.g. 17'3" rounds to 17', 17'6" rounds to 18'). This data should match the ground contour elevations for site depiction submitted under ITEM #20.

ITEM #17. Enter the total structure height above ground level in whole feet rounded to the next highest foot (e.g. 17'3" rounds to 18'). The total structure height shall include anything mounted on top of the structure, such as antennas, obstruction lights, lightning rods, etc.

ITEM #18. Enter the overall height above mean sea level and expressed in whole feet. This will be the total of ITEM #16 + ITEM #17.

ITEM #19. If an FAA aeronautical study was previously conducted, enter the previous study number.

ITEM #20. Enter the relationship of the structure to roads, airports, prominent terrain, existing structures, etc. Attach an 8-1/2" x 11" non-reduced copy of the appropriate 7.5 minute U.S. Geological Survey (USGS) Quadrangle Map MARKED WITH A PRECISE INDICATION OF THE SITE LOCATION. To obtain maps, contact USGS at 1-888-275-8747 or via internet at "<http://store.usgs.gov>". If available, attach a copy of a documented site survey with the surveyor's certification stating the amount of vertical and horizontal accuracy in feet.

ITEM #21.

- For transmitting stations, include maximum effective radiated power (ERP) and all frequencies.
- For antennas, include the type of antenna and center of radiation (Attach the antenna pattern, if available).
- For microwave, include azimuth relative to true north.
- For overhead wires or transmission lines, include size and configuration of wires and their supporting structures (Attach depiction).
- For each pole/support, include coordinates, site elevation, and structure height above ground level or water.
- For buildings, include site orientation, coordinates of each corner, dimensions, and construction materials.
- For alterations, explain the alteration thoroughly.
- For existing structures, thoroughly explain the reason for notifying the FAA (e.g. corrections, no record or previous study, etc.).

Filing this information with the FAA does not relieve the sponsor of this construction or alteration from complying with any other federal, state or local rules or regulations. If you are not sure what other rules or regulations apply to your proposal, contact local/state aviation's and zoning authorities.

Paperwork Reduction Work Act Statement: This information is collected to evaluate the effect of proposed construction or alteration on air navigation and is not confidential. Providing this information is mandatory or anyone proposing construction or alteration that meets or exceeds the criteria contained in 14 CFR, part 77. We estimate that the burden of this collection is an average 19 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB control number associated with this collection is 2120-0001. Comments concerning the accuracy of this burden and suggestions for reducing the burden should be directed to the FAA at: 800 Independence Ave SW, Washington, DC 20591, Attn: Information Collection Clearance Officer, ASP-110.



Failure To Provide All Requested Information May Delay Processing of Your Notice

FOR FAA USE ONLY

U.S. Department of Transportation
Federal Aviation Administration

Notice of Proposed Construction or Alteration

Aeronautical Study Number

1. Sponsor (person, company, etc. proposing this action):

Attn. _____ of:
Name: _____
Address: _____

City: _____ State: _____ Zip: _____
Telephone: _____ Fax: _____

2. Sponsor's Representative (if other than #1):

Attn. _____ of:
Name: _____
Address: _____

City: _____ State: _____ Zip: _____
Telephone: _____ Fax: _____

3. Notice of: New Construction Alteration Existing

4. Duration: Permanent Temporary (___ months, ___ days)

5. Work Schedule: Beginning _____ End _____

6. Type: Antenna Tower Crane Building Power Line
 Landfill Water Tank Other _____

7. Marking/Painting and/or Lighting Preferred:

- Red Lights and Paint Dual - Red and Medium Intensity
 White-Medium Intensity Dual - Red and high Intensity
 White -High Intensity Other

8. FCC Antenna Structure Registration Number (if applicable): _____

9. Latitude: _____° _____' _____" "

10. Longitude: _____° _____' _____" "

11. Datum: NAD 83 NAD 27 Other

12. Nearest: City: _____ State: _____

13. Nearest Public-use (not private-use) or Military Airport or Heliport: _____

14. Distance from #13. to Structure: _____

15. Direction from #13. to Structure: _____

16. Site Elevation (AMSL): _____ ft.

17. Total Structure Height (AGL): _____ ft.

18. Overall Height (#16 + #17) (AMSL): _____ ft.

19. Previous FAA Aeronautical Study Number (if applicable): _____ -OE

20. Description of Location: (Attach a USGS 7.5 minute Quadrangle Map with the precise site marked and any certified survey)

21. Complete Description of Proposal:

Frequency/Power (kW)

Notice is required by 14 Code of Federal Regulations, part 77 pursuant to 49 U.S.C., Section 44718. Persons who knowingly and willingly violate the notice requirements of part 77 are subject to a civil penalty of \$1,000 per day until the notice is received, pursuant to 49 U.S.C., Section 46301(a)

I hereby certify that all of the above statements made by me are true, complete, and correct to the best of my knowledge. In addition, I agree to mark and/or light the structure in accordance with established marking & lighting standards as necessary.

Date _____ Typed or Printed Name and Title of Person Filing Notice _____ Signature _____

EXHIBIT F

HANGAR LAND LEASE SAMPLE SKY HARBOR AIRPORT

Parties to this Agreement are the DULUTH AIRPORT AUTHORITY, hereinafter called "Authority" and _____, hereinafter referred to as "Lessee".

THE PARTIES ACKNOWLEDGE THE FOLLOWING:

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

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

SECTION 1 Definitions

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

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

SECTION 2 Operations & Performance

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

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

SECTION 3

Leased Premises & Use of Facilities

- A. Leased Premises: During the term of this Agreement and any extensions thereof, Authority does hereby lease to Lessee for its exclusive use that tract of land lying in Parcel 6 of the REFEREE'S PLAT OF MINNESOTA POINT as recorded in the Office of the Register of Deeds in Book "G" of Plats, Page 38, labeled as Hangar 8 on Exhibit A, more particularly described as follows:

Beginning at the southeasterly corner of the Duluth Airport Authority Hangar Concrete Ramp at Sky Harbor Airport; thence southeasterly along the northeast edge of the bituminous aircraft parking ramp 485' 11" feet to the point of beginning of the line described. Then deflect 90° to the left and go 105' 0" to a point, then deflect 90° to the right and go 80' 0" to a point, then deflect 90° to the right and go 105' 0" to a point, then deflect 90° to the right and to 80' 0" to the point of beginning, consisting of 8,400 square feet, more or less.

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

SECTION 4

Rent, Taxes, Assessments, License Fees, Utilities & Deposit

- A. Rent: For the term of this Agreement, Lessee agrees to pay rent on the Leased Premises in the amount of \$_____ cents per square foot (8,400 square feet) per year (prorated for portions thereof), for a total annual rent of \$_____, payable in advance on or before January 1st of each year, except the initial year, with the initial year payment to be made upon execution of this Agreement.

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

- B. Taxes, Assessments and License Fees: Lessee shall be liable for the payment of all real property and personal taxes, assessments, license fees or other charges that may be levied or assessed during the term of this Agreement arising in any manner out of this Agreement, charged by any governmental agency and shall provide evidence of payment of any such taxes to Authority as such taxes shall become due. If Lessee shall fail or neglect to pay any of said taxes, assessments, license fees or other charges when the same become due, the Authority may pay the same, together with any cost or penalty which may be accrued thereon, and collect the entire amount so paid from Lessee, and Lessee hereby agrees to pay such entire amount due to the Authority upon demand therefor.

- C. Utilities: Authority is providing the following utilities up to the Leased Premises: _____ . Lessee shall be responsible for connecting any such utilities, at its cost, to the Leased Premises. Lessee shall be responsible for any additional utilities at its cost. Lessee shall promptly establish accounts in its name for all utilities at the Leased Premises. Lessee shall be responsible for promptly paying the applicable monthly utility service charges and any other fees for use for the Leased Premises.

SECTION 5

Term

The Base Term of this Agreement shall be for ten (10) years commencing on _____, 2019 through _____, 2029, unless sooner or later terminated as herein provided.

The parties mutually reserve the right to exercise one (1) Option Term beyond the Base Term provided that Lessee provides written notice to the Authority of its interest in exercising the Option Term on or before

_____. Within sixty (60) days of receipt of such notice, the Authority will provide a written response indicating whether or not it desires to exercise an Option Term. In the event that both parties desire to exercise the Option Term, said Option Term must be executed no later than _____. The Option Term shall be under the same terms and conditions as set forth herein. If the Option Term is not exercised as called for herein, the Agreement will terminate according to the provisions of this Agreement.

It is further agreed that after the Base Term, and the Option Term if exercised, expires, the Authority in its sole discretion may allow the Agreement to continue on a month-to-month basis under the terms and conditions of this Agreement subject to the adjustment of rates and charges at the sole discretion of the Authority and further subject to the right of either party to terminate said month-to-month tenancy upon twenty-nine (29) calendar days' written notice to the other party.

SECTION 6 Premises Maintenance

Lessee agrees to keep the Leased Premises in a clean, neat and orderly condition and in compliance with all laws and codes applicable to the Leased Premises. In the event that Lessee shall fail to so maintain any portion of the said Leased Premises, Authority shall have the right, but not the obligation, to itself perform or have performed said maintenance and to charge Lessee therefor, which charge Lessee shall be obliged to promptly pay. Lessee is responsible to perform all maintenance on its own personal property including the hangar bay doors and door operating equipment.

SECTION 7 Construction

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

A. Construction Standards and Approvals: All work done by Lessee, or under its direction, shall conform to all applicable regulations, building codes and health standards, as well as the following requirements:

1. All construction shall meet the requirement of Type I (fire resistant) construction as set forth in the Minnesota State Building Code (current edition) and the building standards for the Airport, where relevant.
2. Complete contract drawings and specifications on all work, including alterations, additions or replacements, must be submitted for and receive prior written approval of the Executive Director which will not be unreasonably withheld or delayed.
3. All work must be done by competent contractors in the time and manner approved by the Executive Director which will not be unreasonably withheld or delayed and coordinated with him/her. Lessee shall comply with the indemnity and insurance and bond requirements of this Agreement.
4. An authorized representative of Lessee shall be available at all reasonable times at the site to coordinate the work of the leasehold improvements.

B. Construction Bonds and Insurance

1. Bonds: During the term of this Agreement, when any modifications or improvements are constructed, installed or renovated, Lessee shall procure and furnish to Authority a contractors' bond or bonds written by a company or companies authorized to write such bonds in the State of Minnesota and who are acceptable to the Executive Director, in an amount not less than the cost of such construction, installation or renovation, for the use obligee, Lessee and the Authority and all persons doing work or furnishing skills, tools, machinery, materials, insurance premiums, equipment

or supplies incident to such construction, installation or renovation, such bond or bonds to be conditioned for payment of claims as required and in full compliance with Minnesota Statutes Section 574.26. Further, during the term of this Agreement, for any construction, installation or renovation, and before the commencement of work thereon, Lessee shall furnish to Authority performance bonds, written by similarly qualified companies, covering all work to be performed thereunder guaranteeing the performance of all such work.

Notwithstanding the foregoing, Lessee may furnish Executive Director with a personal indemnity or other evidences, at the sole option of and satisfactory to the Executive Director, of its ability to complete construction without liens.

2. Contractor's Public Liability and Property Insurance: Before commencing any improvement, work or equipment installation on the Airport, Lessee shall require all contractors and subcontractors to procure and maintain insurance during the life of such contracts, protecting both the Authority and the Lessee as follows:
 - a. Workers' Compensation Insurance.
 - b. Contractors Comprehensive Public Liability and Property Damage Insurance.
 - c. Contractors Automobile Liability and Property Damage Insurance, including automobile and non-ownership and hired cars.
 - d. Owners Protective Public Liability and Protective Property Damage Insurance.
 - e. Builders Risk Insurance (fire, extended coverage, vandalism and malicious mischief, including sprinkler leakage).

Amounts shall be not less than One Million Five Hundred Thousand Dollars (\$1,500,000) for injuries, including accidental death to any one person, and subject to same limit for each person, and in an amount not less than One Million Five Hundred Thousand Dollars (\$1,500,000) on account of any one accident, and property damage in an amount not less than One Million Five Hundred Thousand Dollars (\$1,500,000) aggregate for the policy. Insurance, as above provided, shall be kept intact and in force throughout the term of construction work and equipment installation on the Leased Premises. Such insurance shall be subject to the approval of the Executive Director and copies furnished to the Executive Director prior to the commencement of construction.

- C. Subsequent Leasehold Improvements: Any changes in, additions to or deletions from existing or later constructed leasehold improvements shall be at Lessee's sole expense and subject to the prior written approval of the Executive Director which will not be unreasonably delayed, and the Executive Director may impose such conditions as he/she shall deem necessary to protect and promote the Authority and the integrity of all operations at the Airport, including, but not limited to, bonding and insurance requirements. Exterior signs, color of building or roof, exterior construction materials and decorations are subject to the discretion, approval and regulation of the Executive Director which will not be unreasonably or delayed.

SECTION 8

Authority's Obligations

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

SECTION 9

Indemnity, Insurance and Waiver of Claims

- A. Defense and Indemnity: Lessee shall indemnify, save, hold harmless, and defend Authority and the City of Duluth (the "City"), their officials, agents and employees, successors and assigns, individually or

collectively, (1) from and against any and all claims including a claim for contribution or indemnity, demands, causes of action, loss, injury, liability, costs and expenses of whatsoever kind or nature (including but not limited to reasonable attorneys' fees, disbursements, court costs, and expert fees) and damages for or related to injury to or death of persons or damage to property, and (2) from and against any fines in any way arising from or based upon the violation by Lessee, its agents, employees, successors and assigns of any federal, state, or municipal laws, statutes, resolutions, or regulations, including rules or regulations of the Authority now in effect or hereafter promulgated; all arising out of, resulting from, in conjunction with or incident to any act or omission of Renter, its officials, agents or employees, successors or assigns, Renter's performance of obligations under this Agreement, or the use and/or occupancy of the Leased Premises or of the Airport by Renter, its officials, agents or employees, or successors or assigns, and on ten (10) days' written notice from the Authority, the Renter shall appear and defend all claims and lawsuits against the Authority and/or the City growing out of any such injury or damage.

- B. Environmental Liability: In addition to the general indemnity stated above, and as part of it, it is specifically agreed between the parties that Lessee shall be responsible in all respects for the use of or generation of or release or threatened release of any petroleum based substance or product, or any volatile organic compound, or any substance classified as a pollutant, contaminant, toxic substance, solid waste or a "hazardous waste" by either the Environmental Protection Agency of the Government of the United States or the Minnesota Pollution Control Agency by Lessee, its officials, agents or employees, successors or assigns. Lessee shall specifically be responsible for the disposition of all such waste or substances and for the environmental response activities and costs, monitoring, or cleanup of any environmental condition deemed by those agencies or either of them to require environmental response, monitoring or cleanup activities of any kind which arises directly or indirectly out of the use of or generation of such substances by Lessee, its officials, agents or employee, successors or assigns in its operations at the Airport; and Lessee specifically agrees that the obligations of Paragraph A above shall apply specifically to any costs or obligations of Authority arising out of any such disposition, cleanup, or environmental response.
- C. Survival: The provision of this Section shall survive the expiration, termination and early cancellation of this agreement.
- D. Insurance: Lessee shall carry and maintain in full force and effect during the term of this Agreement the minimum amounts of insurance set forth below. The Lessee shall carry workers' compensation insurance on all of its employees employed on the Airport. Lessee may request the Authority to approve alternative types of insurance providing at least equal protection. All such insurance shall be in at least the following amounts and shall be in a form acceptable to the Authority and approved by the City Attorney, shall name the Authority and the City of Duluth as additional insureds on each liability policy and shall provide for thirty (30) days' written notice to the Authority of any cancellation or modification thereof. To the extent that the "Accord" form of certificate is used, the words "endeavor to" shall be stricken from the notification provisions. Certified copies thereof or appropriate certificates of insurance evidencing the existence thereof shall be delivered to the Authority prior to the execution of this agreement. The Authority reserves the right and Lessee agrees to revisions upward or downward in the minimum insurance requirements hereinafter set forth. All insurance required under this Agreement shall be taken out and maintained in responsible insurance companies organized under the laws of the states of the United States and licensed to do business in the State of Minnesota.
1. Commercial general liability insurance, including contractual, completed operations, premises and operations and products liability coverage in an amount of not less than \$1,500,000 combined single limit or \$1,500,000 bodily injury per occurrence; \$1,500,000 property damage per occurrence and \$1,500,000 in aggregate.
 2. Owned, non-owned and hired vehicles in an amount not less than \$1,500,000 combined single limit or \$1,500,000 bodily injury per occurrence; \$1,500,000 per occurrence.

3. Aircraft Liability insurance from an admitted aviation insurance carrier in limits per each occurrence of not less than \$1,000,000 and Aircraft Passenger Liability insurance in limits of not less than \$100,000 for each passenger seat.
 4. Worker's Compensation insurance in accordance with the laws of the State of Minnesota.
- E. Insurance Primary: All insurance policies required above shall be primary and shall not require contribution from any coverage maintained by Authority and/or City.
- F. Insurance Not Limitation: It is understood that the specified amounts of insurance stated in this paragraph shall in no way limit the liability of Lessee under this Section.
- G. Disclaimer: Authority does not represent or guarantee that these types or limits of coverage are adequate to protect the Lessee's interests and liabilities. It shall be the obligation and responsibility of Lessee to insure, as it deems prudent, its own personal property, against damage. Authority does not have insurance coverage for Lessee's property and Authority expressly disclaims any and all liability for any and all losses, damage and/or claims to vehicles and/or personal possessions of Lessee.
- H. Authority's Fire Insurance: Lessee covenants that it will not do or permit to be done any act which:
1. will invalidate or be in conflict with any fire insurance policies covering the Airport or any part thereof or upon the contents of any building thereof; or
 2. will increase the rate of fire insurance on the Airport or any part thereof or upon the contents of any building thereof; or
 3. in the opinion of the Authority, will constitute a hazardous condition so as to increase the risks normally attendant upon the operations contemplated by this Agreement.

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

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

SECTION 10

Laws, Ordinances, Rules, And Non-Discrimination

- A. Laws, Ordinances and Rules: The Lessee agrees to observe and comply with all the laws, ordinances, rules and regulations of the United States of America, State of Minnesota, the City of Duluth, and their respective agencies now in effect or hereinafter promulgated which are applicable to its business at the Airport including all laws relating to unlawful discrimination, and further agrees to observe and comply with all Airport rules and regulations in existence at the execution of this agreement and which may, from time to time, be promulgated by the Authority governing conduct on and operations at the Airport and the use of its facilities, as administered by the Executive Director. Further, Lessee agrees to fulfill its responsibilities pursuant to the Airport Security Plan approved by the Federal Aviation Administration and any amendments thereto.
- B. Non-discrimination: The Lessee for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant with the land that:
1. No person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination in the use of said facilities; and

2. In the construction of any improvement on, over or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and
3. That the Lessee shall use the premises in compliance with all of the requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

SECTION 11

Authority's Rights Upon Default

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

SECTION 12
Termination by Lessee

- A. Termination: Lessee may terminate this Agreement prior to the end of its term, or any extension thereof, for the following reasons:
1. Failure of the Authority to substantially perform its obligations hereunder, if such failure shall continue for sixty (60) days after Lessee has given Authority written notice or the Authority shall fail to commence the rectification of such failure within sixty (60) days after such notice and to diligently prosecute the same where the same cannot be completed within sixty (60) days.
 2. If the Authority shall commit any act or engage in any activity that prevents the Lessee from conducting its uses and activities as provided under the terms of this Agreement for a period of sixty (60) days without the consent of Lessee and after Lessee has given notice to the Authority as provided for herein.
 3. If by any act or cause, whether by the Authority or not, Lessee is unable, by reason of change in regulation, termination of operation, or damage to the Leased Premises, to utilize the Leased Premises herein rented by Lessee for a period of six (6) months.
- B. Abatement in Lieu of Termination: In lieu of termination of this Agreement by the Lessee under the provisions of Paragraph A above, the Lessee may, at its option, declare a moratorium on rent payments, or any other payments provided hereunder to the Authority during the interruptions of Lessee's use of the Leased Premises and in such event, the term of this Agreement shall be extended for a period of such interruption, or interruptions, and the moratorium on any payments hereunder by Lessee shall continue until Lessee's use of the Leased Premises can be uninterruptedly continued.
- C. Remedies Cumulative: Pursuit of any of the foregoing remedies shall not preclude Lessee from pursuing any other remedies provided by law, nor shall pursuit of any remedy provided herein constitute a waiver of any other obligation due to Lessee herein.

SECTION 13
Force Majeure

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

SECTION 14
Waiver of Breach

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

SECTION 15
Real Property Upon Termination

- A. Authority's Option to Buy: At the termination of this Agreement, Authority shall have the option to purchase from Lessee any Leasehold Improvements on the Leased Premises that are then owned by Lessee. The purchase price for said Leasehold Improvements shall be determined by an appraisal of the fair market value thereof made by a board of three (3) appraisers, one of whom shall be named by the Authority, one of whom shall be named by the Lessee, and the third of whom shall be named by the two appraisers appointed respectively by the Lessee and the Authority. Upon approval of the Authority, said purchase price, as so determined, shall be paid by Authority to Lessee after completion of said appraisal upon Lessee's tendering to Authority good and marketable title to said Leasehold Improvements, free and clear of all encumbrances.

- B. Removal If Option Not Exercised: In the event that Authority does not exercise its option to purchase said Leasehold Improvements as provided for herein, and if Lessee shall have paid all taxes, assessments, rent or other charges by it payable under the terms of this Agreement, and shall have kept and performed all of the terms and conditions of this Agreement, then Lessee shall have the right to remove from Leased Premises all Leasehold Improvements thereon belonging to the Lessee, and shall restore Leased Premises to as good condition as they were in when they were entered upon by Lessee, provided that Lessee shall do so within sixty (60) days after the termination of this Agreement. If said Leasehold Improvements are not so removed, the Lessee hereby conveys the same absolutely to the Authority and title thereto, upon the expiration of said sixty (60) day period shall vest with the Authority without further act or conveyance; provided, however, that if Lessee demonstrates to Authority that for reasons beyond the control of Lessee such removal cannot be completed within said sixty (60) day period, then Executive Director may allow Lessee, in writing, a reasonable extension of time for such removal. In the event the Leasehold Improvements are not removed within said 60 day time period or such extension thereof as may be allowed by the Executive Director, the Authority, at its sole option, may remove or demolish or cause the removal or demolition of the Leasehold Improvements or any portion thereof, at Lessee's sole cost and expense, and payment for said removal or demolition shall be made immediately upon receipt by Lessee of invoice therefor.
- C. Restore Premises: In all events upon the termination of this Agreement, Lessee agrees to repair or restore any damage to the Leased Premises or diminution in the value thereof resulting from Lessee's operation on the Airport except normal wear and tear which are the natural and normal consequences of Lessee's operations at the Airport.

SECTION 16

Subleases and Assignments

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

SECTION 17

Erection of Signs

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

SECTION 18

Governmental Commitments

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

Authority and the Government of the United States or of the State of Minnesota relative to the operation or maintenance of the Airport.

SECTION 19

Severability

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

SECTION 20

Modification of the Agreement

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

SECTION 21

Notices

All notices to be given by Lessee to the Authority shall be deemed to have been given by depositing written notice in the United States Mail addressed to Authority at the Duluth International Airport, 4701 Grinden Drive, Duluth, Minnesota, 55811, Attn: Executive Director. All notices to be given by Authority to Lessee shall be deemed to have been delivered by depositing the same in writing in the United States Mail addressed to Lessee at _____.

SECTION 22

Applicable Law

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

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals this _____ day of _____, 2019

DULUTH AIRPORT AUTHORITY

LESSEE

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Signature: _____

Name: _____

Title: _____

APPROVED AS TO FORM:

By _____
Assistant City Attorney

DULUTH AIRPORT AUTHORITY

Acknowledgement:

On _____ appeared before me _____ and _____, the President and Secretary of Duluth Airport Authority and acknowledged that this Agreement had been approved at a legal meeting of the Authority, by majority vote, a quorum being present and proper notice of meeting being given and duly executed this agreement.

Notary Public
My commission expires _____

LESSEE

Acknowledgement:

On _____ appeared before me _____, (Lessee), and executed this agreement.

Notary Public
My commission expires _____