

EXHIBIT A

AGREEMENT TO INSURE CERTAIN DULUTH AIRPORT AUTHORITY PROPERTY UNDER THE CITY OF DULUTH'S PROPERTY INSURANCE POLICY

Pertaining to the period of August 1, 2015 to February 16, 2016

This Agreement is by and between the DULUTH AIRPORT AUTHORITY ("Authority"), and the CITY OF DULUTH ("City").

WHEREAS, buildings owned by the City are insured with Affiliated FM Insurance Company located at 300 S. Northwest Highway, Suite 100, Park Ridge, IL 60068 through the City's insurance agent, Chris James of Liscomb-Hood-Mason Co.; and

WHEREAS, the City's property insurance coverage runs from February 16, 2012 to February 16, 2016; and

WHEREAS, the Authority desires to insure certain of its property and equipment through the City's policies of insurance.

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

1. **ALL RISK BLANKET POLICY AND BOILER POLICY**

The City hereby agrees to include the Authority properties and equipment set forth on Exhibit A (hereinafter the "Authority Buildings") on the City's all risk blanket policy which covers buildings and business personal property. The values of the Authority Buildings for purposes of insurance are also set forth on Exhibit A. Authority shall be named a lien holder on the insurance policies. The City agrees to immediately pay over to Authority any claim settlements on any of the Authority Buildings. Additionally, Authority shall immediately be provided any notices pertaining to the Authority Buildings. The Authority shall immediately notify the City's claims investigator/adjuster or designee (the "City Adjuster") of any changes that may affect the value of any of the Authority Buildings.

2. **TERM OF INSURANCE COVERAGE**

The Authority Buildings shall be insured for the period of August 1, 2015 to February 16, 2016.

3. **PAYMENT BY AUTHORITY.**

Authority agrees to pay City for insuring the Authority Buildings in the amount of

not to exceed Twenty-four Thousand Seven Hundred Forty-seven and no/100ths dollars (\$24,747) payable into City Fund 605-036-1659-4906 (Self Insurance Fund, Insurance Accounts, Airport Insurance, Other Insurance Charges).

4. MUTUAL COOPERATION

The Authority shall immediately give notice to the City of any damage to the Authority Property. The City Adjuster in cooperation with Authority's Executive Director will handle the processing of any claims involving the Authority Buildings. The City and Authority shall fully cooperate with the insurance companies in processing any claims.

5. POINT OF CONTACT

The point of contract for each of the parties to this Agreement shall be as follows:

City of Duluth: Don Douglas
City of Duluth
410 City Hall
411 West First Street
Duluth, MN 55802
(218) 730-5276

Authority: Tom Werner
Duluth Airport Authority
Duluth International Airport
4701 Grinden Drive
Duluth, MN 55811
(218) 625-7766

6. WAIVER

Any waiver by either party of any provision of this Agreement shall not imply a subsequent waiver of that or any other provision.

7. APPLICABLE LAW

This Agreement, together with all of its paragraphs, terms and provisions is made in the State of Minnesota and shall be construed and interpreted in accordance with the laws of the State of Minnesota. The appropriate venue and jurisdiction for any litigation hereunder shall be in a court located in St. Louis County, Minnesota. However, litigation in the federal courts involving the parties shall be in the appropriate federal court within the State of Minnesota.

8. SEVERABILITY

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

9. ENTIRE AGREEMENT

It is understood and agreed that the entire agreement of the parties is contained herein and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter hereof. Any amendment to this Agreement shall be in writing and shall be executed by the same parties who executed the original agreement or their successors in office.

CITY OF DULUTH

DULUTH AIRPORT AUTHORITY

By _____
Mayor

By _____
President

Attest: _____
City Clerk

By _____
Secretary

Countersigned:

City Auditor

Approved as to form:

City Attorney

Exhibit A

Buildings & Personal Property				
Building #	Building Name	Building Address	Replacement Value	Content Value
103	Hangar 103	4960 Airport Approach Rd, Duluth	\$ 3,000,000.00	
104	Hangar 104 - Bays 7/8	4927 Airport Approach Rd, Duluth	\$ 650,000.00	
105	Hangar 104 - Bay 9/10	4923 Airport Approach Rd, Duluth	\$ 650,000.00	
106	Hangar 105	4527 Vandenberg Dr, Duluth	\$ 285,000.00	
107	Hangar 106	4529 Vandenberg Dr, Duluth	\$ 285,000.00	
300	Hangar 107	4531 Vandenberg Dr, Duluth	\$ 285,000.00	
303	Electrical Vault	4867 Airport Rd, Duluth	\$ 1,000,000.00	
305	Snow Removal Equipment Building (SRE)	4875 Malstrom St, Duluth	\$ 5,000,000.00	\$ 750,000.00
308	Building 305	4845 Lackland St, Duluth	\$ 1,300,000.00	
311	911 Building	4848 Lackland St, Duluth	\$ 850,000.00	
614	Building 311	4464 Ralston Drive, Duluth	\$ 2,100,000.00	
615	Ranch Hangars (7)	4526 Airport Approach Rd, Duluth	\$ 425,000.00	
616	T-Hangars (14)	4524 Airport Approach Rd, Duluth	\$ 600,000.00	
622	Airport Tower Building	4525 Airport Approach Rd, Duluth	\$ 1,950,000.00	\$ 125,000.00
N/A	Municipal Hangar II	4535 Airport Approach Rd, Duluth	\$ 1,600,000.00	
N/A	Terminal	4701 Grinden Drive, Duluth	\$ 62,000,000.00	\$ 750,000.00
N/A	Sky Harbor Airport Office/Hangar	5000 Minnesota Avenue	\$ 500,000.00	\$ 250,000.00

Equipment				
Make	Model	SSN	Year	Actual Cash Value
Oshkosh	27' Plow 2	0879	1997	\$ 166,000.00
Oshkosh	P Series w/ 27' Plow	0510	1987	\$ 45,000.00
Caterpillar	Grader	0356	2004	\$ 260,000.00
Caterpillar	Grader	0173	1998	\$ 120,000.00
Oshkosh	Blower	7443	2008	\$ 325,000.00
Oshkosh	Blower	3260	2001	\$ 357,000.00
Ford	Tractor Mower	0851	1991	\$ 48,000.00
New Holland	Tractor Mower	5495	2007	\$ 145,000.00
Caterpillar	Loader	1560	2005	\$ 150,000.00
Chevrolet	Sander	0539	1999	\$ 43,000.00
Oshkosh	Blower	3342	1991	\$ 142,000.00
Oshkosh	Blower	6105	1992	\$ 126,000.00
Oshkosh	Multi-Purpose Tractor	4787	2014	\$ 428,000.00
Oshkosh	Multi-Purpose Sweeper	0881	2014	\$ 368,000.00
Oshkosh	MB Sweeper	5016	2005	\$ 435,000.00
Caterpillar	Loader	022B	2005	\$ 178,000.00
Caterpillar	236B Skidsteer	9082	2009	\$ 25,000.00