

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

Pertaining to the period of February 16, 2019 to February 16, 2020

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 The Harford Insurance located at 690 Asylum Avenue, Hartford, CT 06155 through the City’s insurance agent, Chris James of Marsh & McLennan Agency LLC; and

WHEREAS, the City maintains equipment breakdown insurance coverage (commonly referred to as “boiler insurance”) and inspection through Hartford Steam Boiler Inspection and Insurance Company located at 595 East Swedesford Road, Wayne, PA 19087 through the City’s insurance agent Paul Johnsen of Otis Magie Insurance Agency, Inc.; and

WHEREAS, the City’s property insurance coverage and boiler insurance coverage runs from February 16, 2019 to February 16, 2020; and

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

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

1. ALL RISK BLANKET POLICY

The City hereby agrees to include the Authority properties and equipment set forth on Exhibit A (hereinafter the “Authority Buildings”) on the City’s all risk blanket policy which covers buildings and business personal property and boiler insurance policy. The values of the Authority Buildings for purposes of property and boiler insurance are also set forth on Exhibit A. Authority shall be named a lien holder on the insurance policies. The City agrees to immediately pay over to Authority any claim settlements on any of the Authority Buildings. Additionally, Authority shall immediately be provided any notices pertaining to the Authority Buildings. The Authority shall immediately notify the City’s 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 February 16, 2019 to February 16, 2020.

3. PAYMENT BY AUTHORITY.

Authority agrees to pay City for insuring the Authority Building in the amount of Forty-seven Thousand Fourteen dollars and 65 cents (\$47,014.65) payable into City Fund 610-036-1659-4906 (Self-Insurance Liabilities, Insurance Accounts, Airport Insurance, Other Insurance Charges).

4. MUTUAL COOPERATION

The Authority shall immediately give notice to the City of any damage to the Authority Property. The City 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

Date: _____

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	
	Hangar 104 - Bay 9/10	4923 Airport Approach Rd, Duluth	\$ 650,000.00	
105	Hangar 105	4527 Vandenberg Dr, Duluth	\$ 285,000.00	
106	Hangar 106	4529 Vandenberg Dr, Duluth	\$ 285,000.00	
107	Hangar 107	4531 Vandenberg Dr, Duluth	\$ 285,000.00	
301	Electrical Vault	4867 Malstrom St, Duluth	\$ 1,000,000.00	
303	Snow Removal Equipment Building (SRE)	4875 Malstrom St, Duluth	\$ 5,000,000.00	\$ 750,000.00
305	Building 305	4845 Lackland St, Duluth	\$ 1,300,000.00	
308	911 Building	4848 Lackland St, Duluth	\$ 850,000.00	
311	Building 311	4464 Ralston Drive, Duluth	\$ 2,100,000.00	
614	Ranch Hangars (7)	4526 Airport Approach Rd, Duluth	\$ 425,000.00	
615	T-Hangars (14)	4524 Airport Approach Rd, Duluth	\$ 600,000.00	
616	Airport Tower Building	4525 Airport Approach Rd, Duluth	\$ 1,950,000.00	\$ 125,000.00
622	Municiple 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					
Unit #	Make	Model	VIN/Serial Number	Year	Actual Cash Value
13	Oshkosh	27' Plow 2	10TBFSF2XVS062879	1997	\$ 166,000.00
16	Oshkosh	P Series w/ 27' Plow	10T2C3B24H1030510	1987	\$ 45,000.00
17	Caterpillar	Grader	CAT0163HCARL00356	2004	\$ 150,000.00
18	Caterpillar	Grader	5AK00173	1998	\$ 120,000.00
19	Caterpillar	Grader	CAT0160M3N9T00167	2015	\$ 300,000.00
20	Oshkosh	H2723B Snow Blower	10TBFAP118S097443	2008	\$ 325,000.00
22	Oshkosh	Blower	10TBFPY142S073260	2001	\$ 250,000.00
25	Ford	Tractor Mower	D470851	1991	\$ 48,000.00
26	New Holland	Tractor Mower	RVS055495	2007	\$ 100,000.00
28	Caterpillar	Loader	CATIT62GPAYA00220	2005	\$ 100,000.00
29	Chevrolet	Sander	1GBT7H4C2XJ100539	1999	\$ 35,000.00
30	Caterpillar	Loader	CAT0972MEA8P00659	2015	\$ 570,000.00
31	Oshkosh	Blower	10T3E1BX7N1043343	1991	\$ 142,000.00
32	Oshkosh	Blower	10T3E1BX7N1046105	1992	\$ 126,000.00
36	Oshkosh	Multi-Purpose Tractor	10TAJHGF6FS774787	2014	\$ 428,000.00
36	Oshkosh	Multi-Purpose Sweeper	10TA52513EA770881	2014	\$ 368,000.00
37	Oshkosh	MB Sweeper	10TBFAP1555085016	2005	\$ 300,000.00
43	Caterpillar	930G Loader	CAT0930GATWR01560	2005	\$ 178,000.00
44	Caterpillar	236B Skidsteer	CAT0236BEHEN09082	2009	\$ 25,000.00