



**A G E N D A**  
**Tuesday, April 11, 2023**  
**8:00 a.m.**  
**AMENDED**

1. Approve the minutes of the Regular Meeting held March 28, 2023.
2. Approve the airport vouchers totaling \$258,489.93.
3. Approve individual vouchers:
  - A. VOLAIRE AVIATION - \$1,875.00  
Air service data.
  - B. FLINT GROUP - \$15,561.25  
2023 Airport Marketing Program.
  - C. SUN ELECTRIC - \$55,647.00  
Partial Payment Request #10, Security System Upgrade.
  - D. TL STROH ARCHITECTS - \$1,446.00  
Parking Lot Exit Plaza.
4. Receive proposal from Cumming for Phase II of their CMAR Services, not to exceed \$14,820.00.
5. Authorize purchase of P5500C Cupping Ram Plow from M-B Companies Minnesota State Contract #222955; \$136,680.85.
6. Authorize purchase of two MB5 Multi-Tasking Snow Removal Units from M-B Companies Minnesota State Contract #222955, \$988,992.15 each (\$1,977,948.30 total).
7. Receive communication from Kevin and Sheryll Clapp requesting a five-year extension to their giftshop concession agreement.
8. Receive communication from Sky-Dine, Inc. requesting a five-year extension to their food and beverage concession agreement.

AGENDA  
APRIL 11, 2023  
PAGE NO. 2

9. Presentation of CY2022 Audit, PFC Program Audit and Management Report by Brady Martz.
10. Ekman to discuss employee recognition program.
11. Airport construction and security update.

**Join Zoom Meeting**

<https://us02web.zoom.us/j/428180443?pwd=U1hwMGJmVmdyc1ljUGE1Mkl0VnRBdz09>

**Meeting ID: 428 180 443**

**Password: 2801**

**Dial (669-900-6833) or (253-215-8782)**

If necessary, the Municipal Airport Authority may enter into executive session to consider or discuss closed or confidential records or information pursuant to North Dakota Century Code Sections 44-04-19.1, 44-04-19.2., 44-04-24 and 44-04-26.

Regular Meeting

Tuesday

March 28, 2023

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, March 28, 2023, at 8:00 a.m.

Present: Lind (via zoom), Engen, Kapitan, Ekman, Cosgriff  
Absent: None  
Others: Bossart (via zoom)

Chair Cosgriff presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held March 14, 2023:

Engen moved to approve the minutes of the Regular Meeting held March 14, 2023.  
Second by Kapitan.  
On the call of the roll, Engen, Lind, Kapitan, Ekman, Cosgriff voted aye.  
Motion carried.

Approved the Airport Vouchers Totaling \$232,260.18:

Kapitan moved to approve the airport vouchers totaling \$232,260.18.  
Second by Engen.  
On the call of the roll, Engen, Lind, Kapitan, Ekman, Cosgriff voted aye.  
Motion carried.

Approved the Individual Vouchers:

Engen moved to approve the individual vouchers:

- A. SUN ELECTRIC - \$53,721.00  
Partial Payment Request #9 for Security System Upgrade.
- B. MEAD & HUNT - \$1,295.79  
Security System Upgrade.
- C. MEAD & HUNT - \$613,750.91  
Terminal Design & Bidding.

Approved the Individual Vouchers: (Continued)

- D. FORUM COMMUNICATIONS - \$420.39  
Legal advertisement – South General Aviation Ramp Reconstruction.
- E. WALKER CONSULTANTS - \$6,350.00  
Partial Payment Request #2 – Pre-design parking study.

Second by Kapitan.

On the call of the roll, Engen, Lind, Kapitan, Ekman, Cosgriff voted aye.

Motion carried.

Received Communication from 1954 Investment Group, Inc./Men's Hairhouse, Requesting a One-Year Extension of Eastside Terminal Lease:

The communication from Troy Reinhart, 1954 Investment Group, dated March 16, 2023, was received and filed without objection. The communication requested a one-year extension of their lease in the Eastside Terminal.

Engen moved to approve the one-year extension to the 1954 Investment Group lease.

Second by Ekman.

On the call of the roll, Engen, Lind, Kapitan, Ekman, Cosgriff voted aye.

Motion carried.

Received Bid Tabulation and Recommendation of Award from Mead & Hunt Regarding the Replacement of Boarding Bridge at Gate #4 (Approval Subject to FAA Approval of Buy American Requirement):

Tabulation for Gate 4 Boarding Bridge Replacement bids received March 21, 2023, were received and filed without objection.

Jeff Klein, Mead & Hunt, stated there was one bidder, Aero Bridge Works, Inc., who provided bids for a refurbished bridge and also a new bridge. Bid for each was the same at \$1,294,900.00.

Engen moved to accept the recommendation of Mead & Hunt to award the purchase of a new boarding bridge to Aero Bridge Works, Inc., at a cost of \$1,294,900.00, subject to approval by the FAA of the Buy American requirements.

Second by Ekman.

On the call of the roll, Engen, Lind, Kapitan, Ekman, Cosgriff voted aye.

Motion carried.



Received Update on South General Aviation Area Apron Reconstruction Project:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated they have been working on the design for the reconstruction of the South General Aviation Area Apron. He stated we have worked with Terracon on testing for any possible contaminants and have kept the FAA in the loop during the whole process. He stated we also involved the ND Department of Environmental Quality and they are on board with our planned approach for dealing with any contamination. He stated we had a pre-bid meeting last week with contractors and following that meeting we were advised by the FAA that they now want a full-blown environmental assessment, which means there would be no way to construct the project this summer. He stated the MAA has been reserving AIP funds for this project and it has also been timed so that it is complete before the Fargo AirSho in 2024. He stated he has advised all of the contractors at the meeting and let them know this is not the MAA's decision.

Mr. Klein stated we will need to work with the FAA on the scope of work for the environmental assessment and hopefully find some way to fast track this. He added that the FAA has also advised that they will not fund the environmental assessment. He stated he has not yet given up on that issue. He stated a lot of time and effort has been invested to get to this point.

Updates will continue.

Receive Update from SP Plus Regarding Airport Parking and Exit Plaza; Discuss Status of Pre-Design of Parking Project:

Terry Stroh, TL Stroh Architects, was recognized via zoom and stated the only work remaining on the building is the installation of the exterior panels.

Dobberstein stated the back-up generator is still being installed and should be completed by the end of the week.

Greg Pierson, SP Plus, was recognized (via zoom) and stated Flash has completed the move of all of the equipment. They are continually working on the issue of customers receiving no ticket from the kiosk. Other issues were discussed and Mr. Pierson addressed those.

Chair Cosgriff gave an update on the second joint meeting with the City of Fargo and the MAA.

Dobberstein stated Walker Consultants is still working on the financials and cost items. He stated he would expect they would have a pre-design by the end of the month.

Engen stated sooner than later we should have the conversation with the City of Fargo regarding the use of the mills available to support the financing of the project.

Cosgriff stated once we receive the pre-design report from Walker the MAA will need to make the determination if we are serious about moving forward with a parking garage and the options we have to pursue.

Received Update from SP Plus Regarding Airport Parking and Exit Plaza; Discuss Status of Pre-Design of Parking Project: (continued)

Ekman moved to reconsider and go along with the original suggestion of a six-month extension with SP Plus to potentially be followed by five years which would potentially give the MAA a little more flexibility as we determine how we go forward, parking garage or not.

Cosgriff yielded the chair to Vice Chair Kapitan and seconded the motion.

On the call of the roll, Lind, Ekman, Cosgriff voted yes.

Engen and Kapitan voted no.

Motion carried.

The chair was returned to Cosgriff.

Dobberstein later clarified that the action taken today extends the SP Plus contract through June 30, 2024. There was some confusion on the SP Plus request, which was for a five-year extension to December 31, 2028, and to go back to a calendar year budget rather than a July 1-June 30 fiscal year.

Received and Reviewed Hector International Airport – Airport Facilities Development Construction Guidelines (Approved 4/2/97):

The Airport Facilities Development Construction Guidelines were provided to the board members for their review.

The only item suggested to consider changing was the required liability insurance limit of \$1 million and whether that is still adequate. A recommendation from our insurance broker will be requested.

Received Update from Mead & Hunt Regarding Passenger Terminal Expansion and Modification Project:

Brandon Halvorson, Gina Mollica, Angie Corwin and Brett Barry, Mead & Hunt attended the meeting, gave an update on the project, and presented concepts for the interior of the terminal expansion and modification project.

The meeting was adjourned until the next Regular Meeting to be held Tuesday, April 11, 2023.

Time at adjournment was 10:18 a.m.

VOUCHERS FOR AUTHORITY APPROVAL - APRIL 11, 2023 - AMENDED		
LIEBERMAN TECHNOLOGIES	EFIDS DATA FEED - APRIL	\$1,230.00
AAAE	ANNUAL CONF, JUNE 3-5, 2023, DENVER, CO	\$785.00
AAAE	REGIONAL BASIC AIRPORT SAFETY, APRIL 22-23, BUFFALO, NY - HOLMEN	\$595.00
AG SPRAY EQUIPMENT	MATERIALS FOR DE-ICING TANK - AIRFIELD	\$1,143.19
AG SPRAY EQUIPMENT	SHOP SUPPLIES	\$57.70
AG SPRAY EQUIPMENT	MATERIALS FOR DE-ICING TANK - AIRFIELD	\$433.50
AIRSIDE SOLUTIONS, INC.	AIRFIELD LIGHTING - SIGNAGE	\$1,170.66
ALLIED UNIVERSAL SECURITY SERVICES	SECURITY GUARD SERVICE MARCH 3-9	\$3,797.09
ALLIED UNIVERSAL SECURITY SERVICES	SECURITY GUARD SERVICE MARCH 10-16	\$3,721.94
AMAZON.COM	CASE, SCREEN PROTECTOR - 24 HR OPS CELL PHONE	\$43.53
AMERICAN AIRLINES	ADB LIGHTING SEMINAR, MAY1-5, COLUMBUS, OH, HOLMEN	\$586.39
AMERICAN AIRLINES	AAAE SNOW SYMPOSIUM, APRIL 21-26, BUFFALO, NY - HOLMEN	\$518.40
APPLIED INDUSTRIAL TECHNOLOGIES	EQUIP PARTS - #51 (CASTERS)	\$715.34
ARAMARK	LINEN SERVICE/UNIFORMS - JANUARY	\$1,172.16
BALANCE TAX & ACCOUNTING	ACCOUNTING SERVICES - 2022 1099'S	\$467.00
BALANCE TAX & ACCOUNTING	ACCOUNTING SERVICES - JAN, FEB	\$4,700.00
BDT MECHANICAL	HVAC/PLUMBING SERVICE CALLS	\$2,189.50
BDT MECHANICAL, LLC	HVAC MAINT REPAIRS - W. TERMINAL	\$571.90
BURGGAF'S ACE HARDWARE	SHOP SUPPLIES	\$15.98
BURGGAF'S ACE HARDWARE	BUILDING SUPPLIES (MATS) - W. TERMINAL	\$23.98
BURGGAF'S ACE HARDWARE	BUILDING SUPPLIES - W. TERMINAL	\$61.15
BUTLER MACHINERY CO.	PART FOR EQUIP #3	\$2.31
CERTIFIED LABORATORIES	SHOP SUPPLIES (LUBE, BRAKE AEROSOL) - EQUIP	\$656.95
CHRISTIANSON'S BUSINESS FURNITURE	CHAIRS - SRE BUILDING BREAKROOM	\$2,083.80
COLE PAPERS INC.	JANITORIAL SUPPLIES - W. TERMINAL	\$69.29
COLE PAPERS INC.	JANITORIAL SUPPLIES - W. TERMINAL	\$1,191.90
COLE PAPERS INC.	JANITORIAL SUPPLIES - W. TERMINAL	\$85.48
COLE PAPERS INC.	JANITORIAL SUPPLIES - ARFF STATION	\$97.98
COLE PAPERS INC.	JANITORIAL SUPPLIES - W. TERMINAL	\$1,379.26
CONSOLIDATED COMMUNICATIONS	INTERNET - ARFF STATION, W. TERMINAL	\$678.06
CONSOLIDATED COMMUNICATIONS	INTERNET - MAINT SHOP / SP PLUS	\$608.00
CROWNE PLAZA (GONSHOROWSKI)	ARFF WORKING GROUP - AIRCRAFT WORKSHOP, MAY 14-17, SEATTLE,	\$741.84
CROWNE PLAZA (NOYES)	ARFF WORKING GROUP - AIRCRAFT WORKSHOP, MAY 14-17, SEATTLE,	\$741.84
CROWNE PLAZA (PUNTON)	ARFF WORKING GROUP - AIRCRAFT WORKSHOP, MAY 14-17, SEATTLE,	\$741.84
DACOTAH PAPER CO.	JANITORIAL SUPPLIES - W. TERMINAL	\$1,520.34
DACOTAH PAPER CO.	JANITORIAL SUPPLIES - W. TERMINAL	\$172.16
DACOTAH PAPER CO.	JANITORIAL SUPPLIES - W. TERMINAL	\$19.92
DACOTAH PAPER CO.	JANITORIAL SUPPLIES - W. TERMINAL	\$546.54
DACOTAH PAPER CO.	JANITORIAL SUPPLIES - W. TERMINAL	\$1,706.91
DACOTAH PAPER CO.	JANITORIAL SUPPLIES - W. TERMINAL	\$1,099.20
EMERGENCY MEDICAL PRODUCTS	ELECTRIDES FOR ECG- AED - W. TERMINAL	\$209.99
FARGO TIRE SERVICE, INC.	REPLACE TIRES - PAINTING TRAILER (#71)	\$587.56
FARSTAD OIL	DIESEL FUEL - EQUIPMENT	\$20,947.47
FASTENAL COMPANY	PLOW HARDWARE	\$35.75
FIRST NATION ELECTRIC	ELECTRICAL REPAIRS - W. TERMINAL/MAINT SHOP	\$3,200.67
FLIGHT AWARE	TECH SERVICES - FBO TOOLBOX	\$110.00
GLOBAL FUELING SYSTEMS	REPLACEMENT COVERS - SPILL CONTAINMENT	\$385.74
GRAINGER	FUSES - AIRFIELD LIGHTING	\$14.96
GRAINGER	GENERAL SUPPLIES - ELECTRICAL TAPE- AIRFIELD LIGHTING	\$363.52
GRAINGER	SHOP SUPPLIES - EXPANSION WEDGE ANCHOR	\$41.98
GRAND FORKS FIRE EQUIPMENT LLC	ARFF SUPPLIES - PURPLE K FIRE SUPPRESSION AGENT	\$2,260.95
GRAYBAR	ELECTRICAL SUPPLIES - W. TERMINAL	\$672.75
HAWKINS, INC.	CREDIT FOR SHORT LEAD CHARGE ON PREV. INVOICE	-\$250.00
HAWKINS, INC.	AQUA HAWK KA-50 DE-ICER ( AIRFIELD)	\$24,885.18
HEARTLAND AUDIO INC.	SERVICE CALL - PA SYSTEM - W. TERMINAL	\$375.00
HILTON	TRAVEL - ARFF WORKING GROUP - FEB 26-MAR 1, DAYTONA BEACH, FL	\$950.65
HIVIS SALES	SAFETY JACKET - DAVID F	\$102.48
HOLCIM	SAND FOR AIRFIELD/PUBLIC ROADS	\$5,426.93
HORNbacher'S	MUFFINS - SAFETY MEETING - FEBRUARY 8	\$38.43
ICE COBOTICS	ROBOTIC VACUUM - FEBRUARY - W. TERMINAL	\$549.00
INTERSTATE ALL BATTERY CENTER	BATTERIES - EQUIP #9	\$571.80
INTERSTATE POWER SYSTEMS	REPAIRS TO BAGGAGE SYSTEM	\$1,397.50

KARL'S	CHEST FREEZER - AIRFIELD MAINT - SHOP	\$549.99
LAWSON PRODUCTS	EQUIP REPAIR SUPPLIES	\$302.00
LENOVO	WARRANTY - OFFICE LAPTOP	\$29.99
M & J AUTO PARTS	EQUIP REPAIR SUPPLIES, SHOP SUPPLIES	\$76.66
M & J AUTO PARTS	EQUIP SUPPLIES (OIL)	\$275.76
M & J AUTO PARTS	EQUIP PART - #4	\$6.02
MACQUEEN EMERGENCY GROUP	PARTS FOR SNOW REMOVAL EQUIPMENT	\$8,591.74
MAC'S	SHOP SUPPLIES (HITCH PIN, BATTERIES)	\$31.98
MASTER CONSTRUCTION	SNOW CLEARING - EMPLOYEE LOTS, E. TERM, US CUSTOMS	\$1,525.00
M-B COMPANIES INC.	PARTS - EQUIP #51	\$550.71
MIDSTATES WIRELESS	SPEAKER - EQUIP #51 RADIO	\$51.84
MIDWEST COMMUNICATIONS	PHONE SERVICE - MARCH	\$232.24
MIDWEST PEST CONTROL	PEST CONTROL - (4) BUILDINGS - SERVICE DATE 1/26/23	\$170.00
MIDWEST PEST CONTROL	PEST CONTROL - (4) BUILDINGS - SERVICE DATE 2/27/23	\$170.00
MS FOSTER	ROADWATCH SURFACE TEMP SENSOR KIT - AIRFIELD	\$658.22
NB INTERNET, LLC	TECH SERVICES	\$105.00
ND AVIATION ASSOCIATION	MEMBERSHIP DUES - DOBBERSTEIN	\$40.00
ND AVIATION ASSOCIATION	MEMBERSHIP DUES - MAA AND JORDAN DAHL	\$1,040.00
ND ONE CALL	LOCAE TICKETS - JANUARY	\$4.05
NELSON INTERNATIONAL	EQUIP REPAIRS - #40	\$3,961.31
NORTHEAST CHAPTER AAAE	SNOW SYMPOSIUM - APRIL 23-26, BUFFALO, NY - HOLMEN	\$585.00
NORTHWEST TIRE	REPAIRS TO SKID STEER	\$56.28
NORTHWEST TIRE	EQUIP REPAIRS - #51	\$59.09
OFFICE DEPOT	OFFICE SUPPLIES	\$91.18
OFFICE DEPOT	PRINTER TONER - MAINT SHOP	\$314.66
OFFICE DEPOT	OFFICE SUPPLIES - MAINT SHOP	\$37.77
O'REILLY	EQUIPMENT PART - #5	\$41.90
PFM ASSET MANAGEMENT LLC	INVESTMENT SERVICES - FEBRUARY	\$1,167.15
PRO RESOURCES CORPORATION	PAYROLL, TAXES, FEES MARCH 20 - APRIL 2	\$99,189.66
RDO EQUIPMENT CO.	EQUIP PART - #51	\$1,001.19
RT PAINTING AND DECORATING	DRYWALL REPAIR AND PAINTING - W. TERMINAL	\$945.00
S&L COMPUTER SERVICES, INC.	TECH SERVICES	\$380.00
S&L COMPUTER SERVICES, INC.	TECH SERVICES	\$350.00
S&L COMPUTER SERVICES, INC.	TECH SERVICES	\$210.00
SANFORD HEALTH OCCMED	ANNUAL SCREENINGS - ARFF STAFF	\$2,804.00
SUNSOURCE	EQUIP REPAIRS - SNOW REMOVAL EQUIP	\$3,612.27
TITAN MACHINERY	BLADES, EDGES - SNOW REMOVAL EQUIPMENT	\$13,897.21
TOOLBARN.COM	OIL BURNER TUNE UP KIT - STEAMER - #33	\$102.86
TRANSOURCE	EQUIP REPAIRS - #3, #9	\$6,193.56
TRANSPORTATION SECURITY CLEARINGHOUSE	BACKGROUND CHECKS	\$675.00
TRANSPORTATION SECURITY CLEARINGHOUSE	BACKGROUND CHECKS	\$750.00
UNITED AIRLINES	ALLEGiant AIR CONF, APRIL 18-20, LAS VEGAS	\$873.00
UNITED AIRLINES	AAAE ANNUAL CONF, JUNE 2-6, DENVER, CO - SD	\$432.65
UNITED AIRLINES	AAAE ANNUAL CONF, JUNE 2-6, DENVER, CO - DA	\$280.65
UPS STORE	LAMINATE AIRFIELD MAPS	\$3.75
USPS	POSTAGE - ACA REPORTING DOCUMENTS TO IRS	\$8.95
VAISALA	ANNUAL TECH SERVICES - AIRFIELD MONITORING	\$4,651.00
WALMART	UNIFORM JEANS - DARWIN OLSON	\$75.14
WALMART	UNIFORM JEANS - DARWIN OLSON	\$68.71
WALMART	CREDIT - RETURNED UNIFORMS JEANS - DARWIN OLSON	-\$51.54
WESTERN MANAGEMENT GROUP	2023 ACI-NA COMPENSATION SURVEY	\$275.00
ZOOM VIDEO COMMUNICATIONS	MONTHLY SUBSCRIPTION - FEB 28 - MAR 29	\$14.99
		\$258,489.93

April 06, 2023

Shawn Dobberstein  
Executive Director  
Hector International Airport  
2801 32nd Ave N  
Fargo, ND 58102



**RE: Proposal for RFP Support Services – Hector International Airport Terminal Expansion - Construction Manager-at-Risk (CMAR) Procurement Support (Phase 2).**

Dear Mr. Dobberstein,

Cumming is pleased to submit this proposal to provide assistance with the Construction Manager-at-Risk competitive selection process for the Hector International Airport Terminal Expansion Project. Our proposal is to provide procurement and contracts services, as specifically directed by your team, including the CMAR Evaluation, Worksessions and Contract Negotiations as necessary, for the competitive selection process for this Project. We have included our schedule of qualifications for your consideration, in **Exhibit A**.

**FEE SUMMARY**

A summary of our Fee structure is provided below.

<b>Item</b>	<b>Estimated Hours</b>	<b>Av. Billable Rate</b>	<b>Estimated Fee</b>
Procurement and Contracts Services	76	\$195	\$14,820
<b>Total</b>	<b>76 Hours</b>		<b>\$14,820</b>

Services will be billed at approved hourly rates in **Attachment B**. A summary of our Scope & Fee is attached as **Attachment A**. Using the calculations outlined therein, the overall budgeted estimate for these services is 76 hours and an associated not-to-exceed fee of \$14,820.

Our team is excited to work with you to support you throughout the Construction Manager-at-Risk competitive selection process. We welcome the opportunity to discuss this proposal with you and determine how we can best serve your needs. Please don't hesitate to contact us directly. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Kristen Pyle".

Kristen Pyle  
Vice President  
C: (303) 547-7724  
Cumming Management Group, Inc.





Exhibit A

# Qualifications

Procurement + Contracts

**CUMMING**  
Building Value Through Expertise

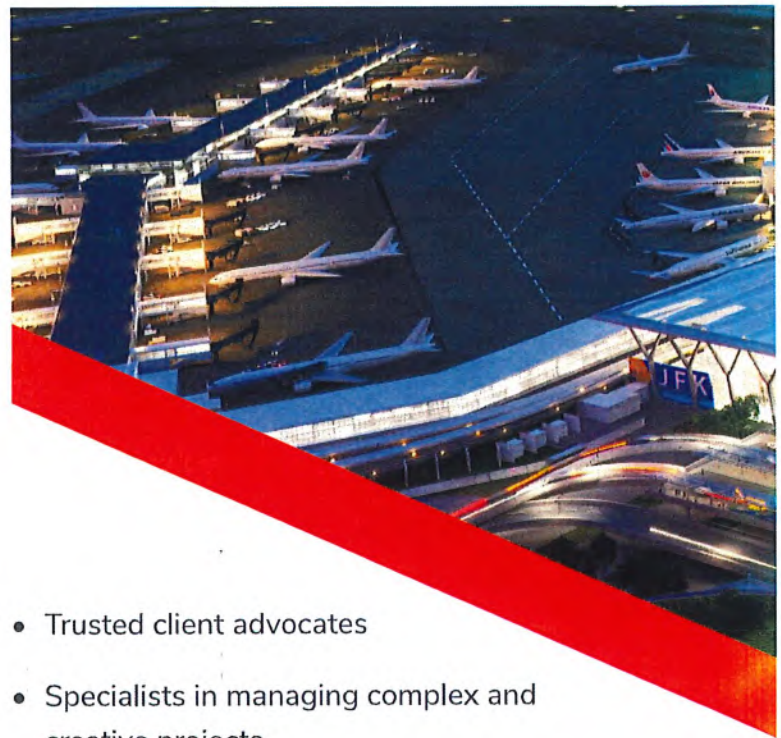
[cumming-group.com](http://cumming-group.com)



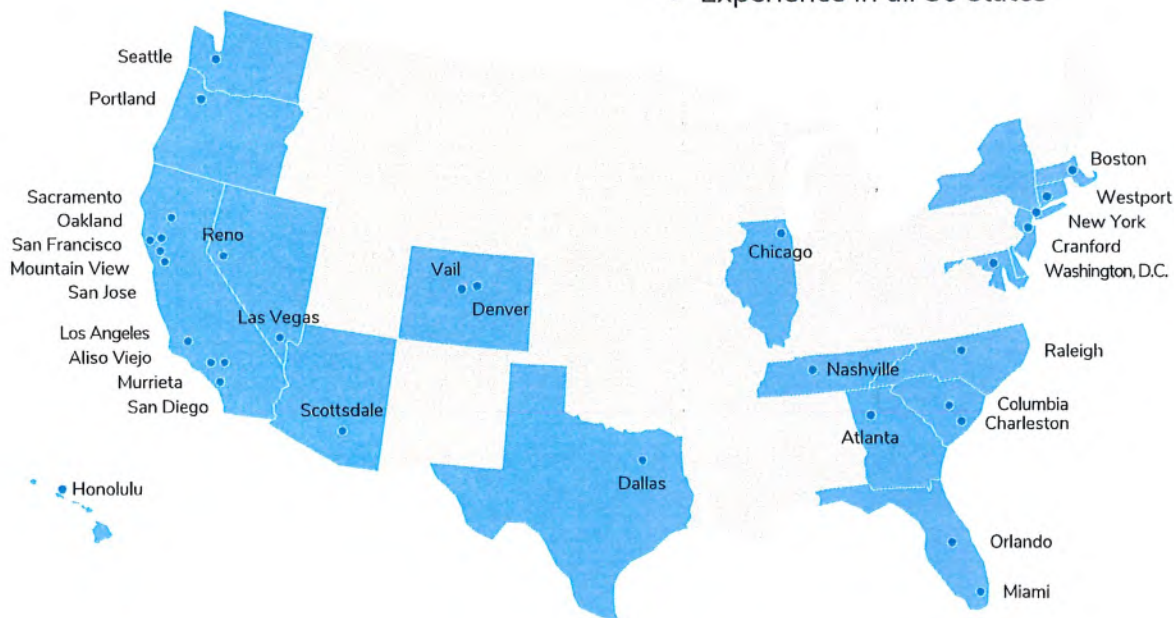
# Who We Are

Established in 1996 as a project and cost management company, Cumming has evolved into a 1200-person, multi-faceted consulting firm with a determined focus on providing services that add value at every step of a project's development. With roots in Denver that trace back 20+ years and mountain operations based in Vail, our local team was created to support owners lacking the time, resources, or in-house expertise necessary to provide the high level of attention required to manage capital construction projects. Cumming's Colorado team is fortunate to have worked with a variety of clients ranging from global brands and large public institutions to independent developers, local municipalities, healthcare providers, and more. Today, we serve as an advocate for our clients—solving problems, delivering solutions, and driving results.

Cumming's aviation portfolio includes work at some of the biggest and busiest airports in the world, including JFK, LaGuardia, LAX, and more. Our aviation experience — which spans our entire service line — represents more than \$5 billion in construction. Whether we are providing one-off advisory services or working as an owner representative embedded in your project management office, we bring a comprehensive perspective that helps you deliver your airport projects safely, smoothly, and on time.



- Trusted client advocates
- Specialists in managing complex and creative projects
- Wide range of clients and project types
- Value at every step of a project's development
- Preservation of design intent balanced with cost effectiveness
- Experience in all 50 states



○ 50 OFFICES WORLDWIDE

## International Offices

- |                    |                      |                          |
|--------------------|----------------------|--------------------------|
| • Vancouver, BC    | • Cardiff, UK        | • Paris, France          |
| • Cork, Ireland    | • Edinburgh, UK      | • Hilversum, Netherlands |
| • Dublin, Ireland  | • Manchester, UK     | • Munich, Germany        |
| • Belfast, Ireland | • London, UK         | • Düsseldorf, Germany    |
| • Exeter, UK       | • Stoke-on-Trent, UK | • Berlin, Germany        |



# Our Services

Cumming is a dynamic, adaptable consulting firm that has evolved over the years in direct response to the needs of our clients. We actively look for ways to provide additional value to the organizations and projects we serve.

## Program + Project Management

Cumming offers fully integrated project management services throughout design and construction; we represent the owner by providing the technical expertise, leadership, and resources needed to drive the process and motivate teams to achieve successful project outcomes. We do this by first understanding the client's vision and then efficiently and collaboratively shepherding the process and team to achieve their goals. All projects have multiple moving parts; the importance of controlling these various components is critical. Our project managers provide continuity and consistency by developing and maintaining budgets and schedules, offering value engineering options, and mitigating risk.

## Cost Management + Estimating

At Cumming, our cost management team is an integral part of every one of our assignments. Controlling cost is an essential ingredient to the success of any project, and it starts with knowing the total cost of the project as early as possible in the development process. This is why we develop comprehensive project budgets at the outset, and then closely monitor these budgets as the project progresses. Our diligent approach provides clients with up-to-date information along with the opportunity to maximize their return on investment. Our experience gives us an unparalleled volume of industry knowledge, which we use to provide unbiased, detailed, and critical analyses of our clients' project costs and risks.

## Procurement + Contract Services

Cumming has a specialized in-house procurement and contracts services department to ensure that our clients are set-up for success at every stage of their project. Construction contract documents are a binding instrument between an owner, design professional, and general contractor - therefore, procurement and contract documents should be drafted as accurately as possible to protect the owner and ensure that the risk lies with the correct party. With this in mind, we leverage our long history of project knowledge to help our clients prepare and negotiate contracts that are both strong and fair to all parties involved, and that minimize the risk of future change orders, disputes, or litigation. Our professional contracts managers also provide advice as it relates to procurement and contracts, including claims for an increase to the contract price or contract time.



From pre-construction budgeting to overall project and cost management through all phases of development, Cumming offers a suite of services that guide our clients' projects from start to finish.

- Predict Market Shifts
- Manage Risk
- Control + Manage Costs
- Guide Design + Construction
- Create Efficiencies
- Protect + Empower Our Clients
- Anticipate + Avoid Problems
- Drive Results



# Our Services

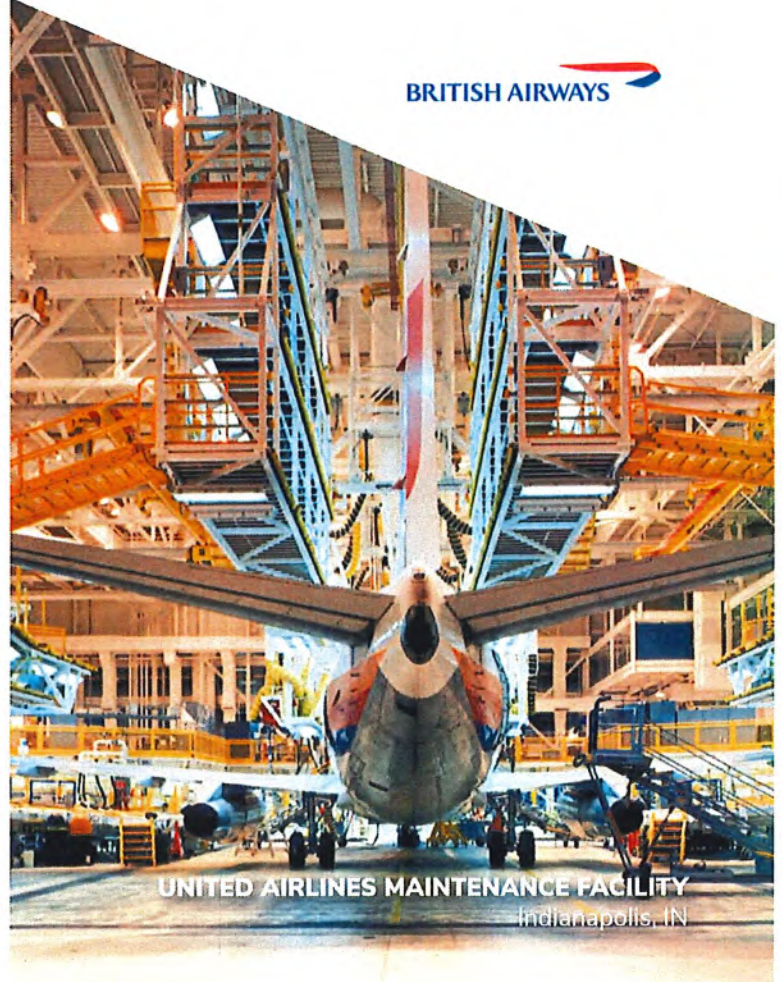
	Planning	Design	Construction	Close-Out/Post-Construction
Program, Project + Construction Management	<ul style="list-style-type: none"> <li>Project scope development</li> <li>Feasibility Studies</li> <li>Entitlements</li> <li>Project delivery consulting</li> <li>Consultant procurement</li> </ul>	<ul style="list-style-type: none"> <li>Design criteria development</li> <li>Design management</li> <li>Sustainability consulting</li> <li>Constructability reviews</li> <li>Value analysis</li> <li>Risk management</li> </ul>	<ul style="list-style-type: none"> <li>Bid facilitation</li> <li>Change management</li> <li>Quality assurance</li> <li>Contract administration</li> <li>QA/QC status meetings</li> <li>Schedule management</li> </ul>	<ul style="list-style-type: none"> <li>FF&amp;E coordination</li> <li>Punchlist facilitation</li> <li>Move management</li> <li>Lessons learned</li> <li>Expert testimony</li> </ul>
Schedule Management	<ul style="list-style-type: none"> <li>Master scheduling/ budgeting</li> <li>Schedule scenarios</li> <li>Phasing + logistics</li> <li>Project cost-loading</li> </ul>	<ul style="list-style-type: none"> <li>Risk analysis (QRA)</li> <li>4D + 5D modeling</li> <li>Design + construction scheduling</li> </ul>	<ul style="list-style-type: none"> <li>Earned value + monitoring</li> <li>Schedule risk mitigation</li> <li>Resource analysis + schedule controls / Div 1</li> </ul>	<ul style="list-style-type: none"> <li>Audit</li> <li>Expert testimony</li> <li>Commissioning management</li> </ul>
Cost Management + Estimating	<ul style="list-style-type: none"> <li>Market studies</li> <li>Feasibility analysis</li> <li>Target cost modeling</li> <li>Contingency analysis</li> </ul>	<ul style="list-style-type: none"> <li>Life cycle cost analysis</li> <li>Sustainability cost analysis</li> <li>Quantity takeoffs</li> <li>Milestone estimating</li> <li>Value engineering</li> <li>Risk analysis (QRA)</li> </ul>	<ul style="list-style-type: none"> <li>Bid review</li> <li>GMP negotiation</li> <li>Continuous cost management</li> <li>Change order reviews</li> <li>Payment application reviews</li> <li>Project monitoring / lender services</li> </ul>	<ul style="list-style-type: none"> <li>Final change order approvals</li> <li>Final payment reviews</li> <li>Benchmarking</li> <li>Asset tagging</li> <li>Project + cost auditing</li> </ul>
Program + Project Controls	<ul style="list-style-type: none"> <li>Controls systems design</li> <li>Controls systems integration</li> <li>Processes + procedures</li> <li>Budget forecasting</li> <li>Team communications</li> </ul>	<ul style="list-style-type: none"> <li>Design status reporting</li> <li>Budget monitoring</li> <li>Milestone scheduling</li> </ul>	<ul style="list-style-type: none"> <li>Cash flow monitoring</li> <li>Cash flow reporting</li> <li>Earned value reporting</li> <li>Document controls</li> <li>Cost controls</li> <li>Schedule controls</li> </ul>	<ul style="list-style-type: none"> <li>Close-out reporting</li> <li>Document archiving</li> <li>Financial close-out</li> </ul>
Energy + Sustainability Services	<ul style="list-style-type: none"> <li>Benchmarking</li> <li>Energy audits</li> <li>Renewable energy (Solar PV)</li> <li>Sustainability master planning</li> <li>Electric vehicle (EV) planning</li> <li>Climate action plans</li> </ul>	<ul style="list-style-type: none"> <li>Design review (energy codes)</li> <li>Life cycle cost analysis</li> <li>Third-party financing</li> <li>Revolving green funds</li> <li>Commissioning plan</li> <li>Building certification (LEED, ENVISION, WELL)</li> </ul>	<ul style="list-style-type: none"> <li>LEED certification (or other standard)</li> <li>Utility incentives + rebates</li> <li>Commissioning</li> </ul>	<ul style="list-style-type: none"> <li>Retro commissioning</li> <li>GHG reporting</li> <li>Operations + maintenance GPRO training</li> <li>Environmental management systems (ISO 14001)</li> </ul>
Procurement + Contracts Services	<ul style="list-style-type: none"> <li>Value planning</li> <li>Procurement strategy and advice</li> <li>Risk management</li> <li>Market intelligence</li> <li>Due diligence</li> <li>Procurement report and recommendation</li> </ul>	<ul style="list-style-type: none"> <li>Prepare Design Consultant / Construction Manager / GC RFQs &amp; RFPs</li> <li>Facilitate work sessions / scorecards</li> <li>Proposal &amp; bid analysis / firm recommendation</li> <li>Contract negotiations</li> <li>Contract finalization &amp; execution</li> </ul>	<ul style="list-style-type: none"> <li>Claims entitlement / management</li> <li>Change order review / processing</li> <li>Draft amendments to contracts</li> <li>Contracts support</li> <li>Dispute resolution</li> </ul>	<ul style="list-style-type: none"> <li>Lessons learned</li> <li>Develop templates and management plans</li> <li>Contract risk reviews</li> <li>Contracts training / ongoing support</li> </ul>





**JFK AIRPORT TERMINAL 1**  
New York, NY

# Our Aviation Clients + Projects



**UNITED AIRLINES MAINTENANCE FACILITY**  
Indianapolis, IN



# Aviation Experience



**DURANGO - LA PLATA COUNTY AIRPORT TERMINAL**  
Durango, CO



**SHELTAIR FBO, MULTIPLE HANGARS**  
Broomfield, CO



**CITY OF CENTENNIAL  
AIRPORT ADMINISTRATION BUILDING**  
Centennial, CO



**ALASKA AIRLINES, LOS ANGELES  
INTERNATIONAL AIRPORT TERMINAL 6  
REDEVELOPMENT PROGRAM**  
Los Angeles, CA



**FORT WAYNE AIRPORT TERMINAL RENOVATION**  
Fort Wayne, IN



**GRAND JUNCTION REGIONAL AIRPORT**  
Grand Junction, CO



**DENVER INTERNATIONAL AIRPORT  
PARKING**  
Denver, CO



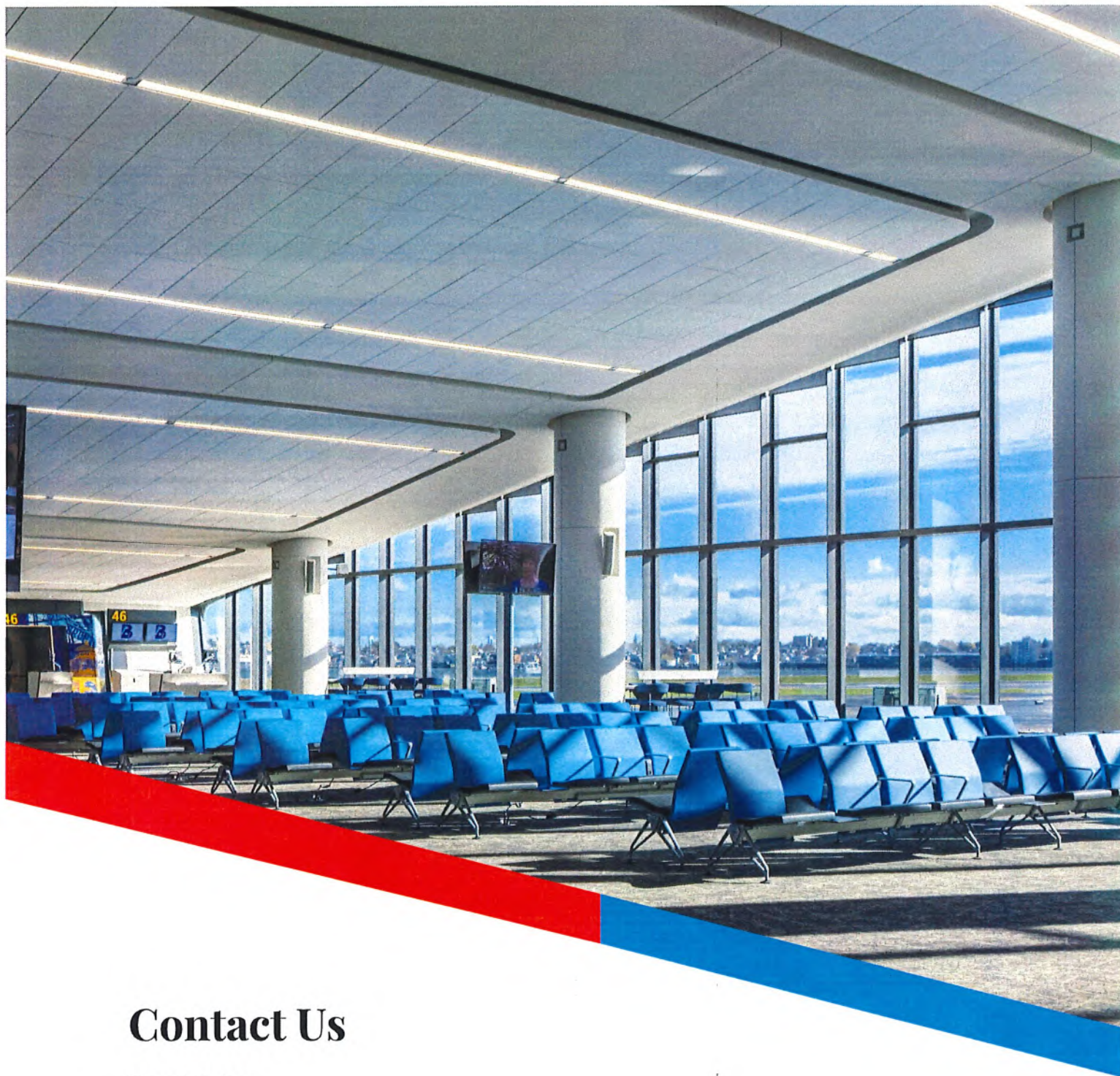
**SEATTLE-TACOMA INTERNATIONAL AIRPORT  
SOUTH TERMINAL**  
Seattle, WA



# Additional Aviation Experience

Project	City	State
Apple Valley Airport, T-Hangar Repairs	San Bernardino	California
Carlyle Airport, Terminal 1	New York	New York
Centennial Airport Administrative Office	Englewood	Colorado
Creech AFB, Bldg. 707 Renovation/Addition	Creech AFB	Nevada
Detroit Metropolitan Wayne County Airport, Rental Car Facility Improvements	Detroit	Michigan
El Paso Int'l. Airport, New CONRAC Facility	El Paso	Texas
Fort Wayne International Airport Authority, Smith Field Airport West Terminal	Fort Wayne	Indiana
Grand Junction Airport Authority Numerous Renovation Projects	Grand Junction	Colorado
Hanscom Field, Jet Aviation Fixed-Base Operation Upgrades	Lincoln	Massachusetts
Hawaii DOT, Lihue Airport Ticketing and Holding Area Improvements	Lihue	Hawaii
Honolulu International Airport, New ConRAC Phase 2B Permanent Facility	Honolulu	Hawaii
Jacqueline Cochran Regional Airport, Desert Jet Center Project	Thermal	California
John Wayne Airport, Airside & Landside Exterior Lighting Improvements	Orange	California
Kahului Airport, Holding Room "A" Renovation and New CONRAC Facility	Kahului	Hawaii
Lubbock Preston Smith International Airport, New Consolidated Rental Car Facility Concepts	Lubbock	Texas
Marine Corps Air Station, Maintenance Support Complex Renovation/Upgrade of 5 Buildings	Yuma	Arizona
Marine Corps Air Station, New Aircraft Maintenance Hangar	Yuma	Arizona
NASA Dryden Flight Research Center, Consolidated Information Technology Center	Edwards AFB	California
Naval Base Ventura County, Hangar Door Modifications & Roof Alteration	Point Mugu	California
Nellis Air Force Base Bldg 98 Renovation/Addition	Nellis AFB	Nevada
Port of Seattle, Sea-Tac Airport, Numerous Projects	Seattle	Washington
San Diego Regional Airport Terminal 2	San Diego	California
San Francisco International Airport, Numerous Projects	San Francisco	California





## Contact Us

**Steve Sciscione**

Senior Vice President

[ssciscione@cumming-group.com](mailto:ssciscione@cumming-group.com)

720-900-9350

**Kristen Pyle**

Vice President

[kpyle@cumming-group.com](mailto:kpyle@cumming-group.com)

303-547-7724

**Office**

88 Inverness Circle East Building G,  
Suite 101 Englewood, CO 80112

**CUMMING**  
Building Value Through Expertise

[cumming-group.com](http://cumming-group.com)



**Hector International Airport**  
 Fargo, ND

**Cumming Management Group, Inc.**  
**Attachment A - Scope of Services**  
 4/6/2023  
**CONFIDENTIAL**

**Phase 2: Pre-construction Services Including Contract Negotiations and Contractor Selection**  
 Assumes Phase 2 estimated duration of: 3 months [April 2023 to July 2023]

Item	Activities	Project One Participation	Responsibilities	Unit	Unit of measure	Quantity (Hours)	Total Hours
<b>A - Predevelopment</b>							
<b>B - Design Consultant Selection / Negotiations</b>							
<b>C - Contractor Selection / Negotiations</b>							
70	Contractor RFP Evaluation	Significant Involvement	Read and evaluate responses (assumes 4 General Contractor responses). Create comparative Matrices for Owner review.	4	ea	4	16
71	Contractor Worksessions (Interviews)	Significant Involvement	Participate as a non-voting member of the selection committee, to maximize effectiveness in contract negotiations, interviews and follow-up coordination.	2	ea	16	32
72	Contract Negotiations	Significant Involvement	Participate in proposal clarification meeting and negotiations of contract terms and prepare Final Agreement for execution. This line item includes Final Agreement as well as establishment of GMP.	1	ls	28	28
<b>TOTAL HOURS INCLUDING PHASE 2 SERVICES</b>							<b>76</b>
<b>TOTAL PROPOSED FEE INCLUDING PHASE 2 SERVICES</b>							<b>\$ 14,820</b>

**Proposal Notes:**

1 Proposal assumes that services shall begin in April 2023.

Consultant Initial: \_\_\_\_\_ Client Initial: \_\_\_\_\_





Building Value Through Expertise

ATTACHMENT B -COMPENSATION / HOURLY RATES

Fee : (select one or both if applicable)

☐ Fixed Fee of \_\_\_\_\_

☒ Hourly Fees as set forth herein on **Attachment B**.

a. The billing rates for Services provided for the Project by Consultant are as follows:

DISCIPLINE	HOURLY RATE
Executive/Senior Vice President	\$350.00
Vice President/Regional Director	\$295.00
Managing Director / Senior Director	\$255.00
Director / Project Director	\$240.00
Associate Director	\$210.00
Senior Manager	\$194.00
Manager	\$163.00
Senior Administrator / Coordinator	\$145.00
Assistant Manager / Administrator	\$131.00
Coordinator	\$113.00
Intern	\$70.00

b. Billing rates will be applied to time spent working directly on the Project and will include travel time to and from meetings and/or Project jobsite.

c. One year after the effective date of the Agreement, and annually thereafter, Consultant's rates will increase by the greater of (i) the change in percentage during the prior twelve (12) month period in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), or (ii) five percent (5%).

Reimbursable Expenses:

In accordance with Article 4 of the Agreement, the Consultant shall be reimbursed for the following categories of expenses:

- a. Subconsultants and Reimbursable Expenses provided through the Consultant shall be actual costs plus a mark-up of five percent (5%).
- b. Included in Consultant's fee structure are standard overhead costs and supplies. Client will compensate Consultant for reimbursable expenses required beyond standard overhead costs and supply expenses, which are considered standard for these consulting services. The following are considered examples of expenses beyond our standard scope:
  1. Out-of-region travel, beyond a 50-mile radius of Consultant's office. Travel expenses of Consultant's employees, lodging and subsistence incidental to such travel
  2. Excessive copies of lengthy reports, memos, drawings, and/or correspondence.
  3. Excessive office supplies, courier services, postage or long-distance charges.
  4. Project specific requirements not typically included in Consultant's regular tools for services. Such items may include, but are not limited to, software, hardware, and equipment not currently being used by Consultant, or manuals, books or standards required by specific municipalities or outside agencies involved with a specific project.
  5. Any direct and specific expenses required to provide services.



## Professional Services Agreement

Project: **Hector International Airport Terminal Expansion**

Location: **Fargo, ND**

This Professional Services Agreement, together with the Exhibits, (collectively "Agreement") is effective as of April 6<sup>th</sup>, 2023 (the "Effective Date"), made by and between Cumming Management Group, Inc. ("Consultant") with a registered business address at 25220 Hancock Ave., Suite 440, Murrieta, CA 92562 and **Municipal Airport Authority of the City of Fargo** ("Client") with a business address at 2801 32nd Ave N, Fargo, ND 58102.

WHEREAS, Consultant possesses certain qualifications, capabilities and experience, and

WHEREAS Client desires to avail itself of the benefits of said Consultant's advice, recommendations and other services which Consultant is capable of rendering in connection with the business of Client.

NOW, THEREFORE, in consideration of the covenants and agreements hereinafter set forth, it is mutually agreed by and between the parties as follows:

1. TERM OF CONTRACT.

1.1. This Agreement becomes effective on **04/06/2023** and will continue in effect for a period of one year thereafter, automatically renewing thereafter for additional one-year periods, unless terminated earlier as per this Agreement.

2. CONSULTANT STATUS.

2.1. It is the express intention of the parties that Consultant is at all times an independent contractor and not an employee, joint venturer, or partner of Client. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between Client and Consultant. Both parties acknowledge that Consultant is not an employee for state or federal tax purposes.

3. SERVICES TO BE PERFORMED BY CONSULTANT.

3.1. The Scope of Services is set forth in **Attachment A** to this Agreement which is expressly incorporated herein by reference as fully as if expressly set forth herein ("Services"). At the request of the Client, the Consultant shall perform Additional Services for which the Consultant shall be compensated as provided in **Attachment B**.



The Consultant shall only be required to perform Additional Services after execution of a mutually agreeable written amendment to the Agreement.

3.2. Consultant shall perform the Services in a manner consistent with the professional care, skill, and diligence exercised by professionals performing similar services in the same geographical area on projects of similar, nature, size, budget, and complexity, and in accordance with all applicable laws, ordinances, codes, and regulations ("Standard of Care"). At no time will the Consultant be required to perform any services which constitute the professional practice of architecture or engineering as defined by applicable laws. Consultant will perform the Services as expeditiously as is consistent with the Standard of Care and the orderly progress of the Project.

3.3. Client acknowledges and agrees that the Consultant shall neither have control over nor be responsible for maintaining safe conditions or enforcing or coordinating safety programs at any Project site and shall not have control over or be responsible for construction means, methods, techniques, sequences or procedures employed by any contractor involved with the Project. Client further acknowledges and agrees that, in connection with any work to be performed at any Project site, Consultant shall neither have control over nor be responsible for the acts or omissions of Client, its representatives, agents or employees, or the acts or omissions of Client's architects, engineers, contractors, subcontractors, consultants and each of their respective representatives, agents or employees, (collectively "Client Parties") including without limitation, for those actions or omissions that result in personal injury, bodily injury, sickness, disease, or death or to damage to or destruction of tangible property including the loss of use resulting therefrom. The Consultant shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications, and approvals performed by the Client Parties.

3.4. Any evaluations by Consultant of the Client's Project budget, or preliminary or final estimates of construction costs reviewed or prepared by Consultant represent the Consultant's best judgment as an experienced consultant familiar with the construction industry. Client acknowledges that the Consultant has no control over the cost of labor, materials, or equipment, over any contractor's methods of determining bid prices, or over competitive bidding, market, or negotiating conditions. Accordingly, Consultant cannot and does not warrant or represent those bids or negotiated prices will not vary from the Project budget proposed, established or approved by the Client, or from any cost estimate or evaluation prepared by Consultant.

To the extent Consultant reviews and makes recommendations as part of the Services regarding any payment applications provided by any of the Client Parties, such review and recommendation shall not be deemed a representation that Consultant has (1) made exhaustive or extensive on-site inspections to check the quality or quantity of any Client Parties' work; (2) reviewed construction means, methods, techniques, or sequences for the Client Parties' own work or procedures; (3) reviewed copies of requisitions received from Client Parties and other data requested by the Client to substantiate any Client Party's rights to payment; or (4) ascertained how or for what purpose the contractors have used money previously paid to them. Consultant shall review the work

performed at the Project site for purposes of determining that the Client Parties' work is being performed in general accordance with the applicable contract documents.

3.5. By making reviews and recommendations as to any design the Consultant shall not be responsible for providing, controlling, or furnishing the Project design which shall be the responsibility of the Client's designer. The Consultant's shall coordinate with the Client's designer, but the Consultant's reviews and recommendations are advisory only to the Client and its designer.

3.6. The Consultant makes no warranties or representations relating to schedules or completion dates that are not expressly set forth herein.

3.7. The Consultant shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials or toxic substances in any form at the Project site.

#### 4. COMPENSATION.

4.1. In consideration for the Services to be performed, Client agrees to pay Consultant based on a fee structure set forth in Attachment B. These fees will be based on a fixed fee or hourly fee structure set forth in **Attachment B** and as outlined herein: (select one or both if applicable)

4.1.1. ☐ Fixed Fee of \_\_\_\_\_

4.1.2. ☒ Hourly Fees as set forth on **Attachment B**, with a not-to-exceed amount of \$14,820.

4.2. Reimbursable Expenses. In addition to the Compensation identified in 4.1, the Client will reimburse those expenses set forth on **Attachment B** as established in writing that are actual, reasonable, documented and approved in writing by Client. Consultant shall keep written records or accounts of expenses that are submitted for reimbursement to Client.

4.3. One year after the effective date of the Agreement, and annually thereafter, Consultant's rates will increase by the greater of (i) the change in percentage during the prior twelve (12) month period in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), or (ii) five percent (5%).

4.4. Time is of the essence under this Agreement. The Compensation to be received by Consultant is based upon an agreed schedule with the Client. To the extent that there are any material changes to the schedule, Consultant shall be entitled to an equitable adjustment of its Compensation. Consultant shall not be responsible for delays in the performance of its Services caused by third parties.

4.5. End of project completion bonus of \$n/a. This bonus incentive is completely discretionary and awarded as solely determined by the Client three months after final completion of the Project. Such bonus is based on Client's satisfaction with Consultant's services and achievement of success parameters.

4.6. Invoices. Consultant shall submit invoices for all Services rendered and Reimbursable Expenses incurred on a monthly basis. Payment to Consultant shall be made within thirty (30) days after receipt of an invoice by Client. For any payment not received within thirty (30) days of the due date, the Consultant shall be entitled to received interest thereon at the rate of twelve percent (12%) per annum.





CLIENT shall pay CONSULTANT either by check or electronically:

**By Check:**

Cumming Management Group, Inc.  
Payment remit to address: Attn - Accounts Receivable  
25220 Hancock Ave., Suite 440  
Murrieta, CA 92562

**Electronic Payments:**

Wells Fargo Bank, N.A.  
ABA Routing Number: 121000248  
Account Number: 4194364154  
SWIFT: WFBUS6S  
Account Name: Cumming Management Group, Inc.  
Federal Tax Number: 20-8782096

Electronic payment notification: [ar@ccorpusa.com](mailto:ar@ccorpusa.com)

**Consultant shall submit invoices to:**

Attention:	Shawn A. Dobberstein, AAE, Municipal Airport Authority of the City of Fargo
Title:	Executive Director
Email:	<a href="mailto:shawn@fargoairport.com">shawn@fargoairport.com</a>
Direct Phone:	701-241-1501
Address:	PO Box 2845, Fargo ND, 58108-2845

**5. OBLIGATIONS OF CONSULTANT.**

5.1. Insurance. The Consultant shall maintain the insurance coverages as set forth on **Attachment C**.

5.2. Indemnification.

To the fullest extent permitted by law, the Consultant shall indemnify and hold harmless Client, and its affiliates, and their respective officers, directors, employees, successors and assigns from and against all claims, damages, losses, liabilities, judgments, settlements and expenses, including but not limited to attorneys' fees and related costs, to the extent arising out of or resulting from the negligent acts or omissions of Consultant in the performance of the Services and that result in personal injury, bodily injury, sickness, disease, or death or to damage to or destruction of tangible property (except to the Project Work itself). No immediate duty to defend shall arise from this indemnity,

but Consultant will reimburse the Client for reasonable costs of defense in the event it is ultimately determined that the Consultant was solely liable for the claim which was the basis for which the defense costs were expended. The indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for Consultant under any insurance policy or any workers' or workmen's compensation acts, disability benefits act, or other employee benefit act; such representation being solely for the benefit of the indemnitees hereunder and without diminishing the Consultant's immunity as an employer under any applicable law.

5.3 Consultant designates the following representative who is authorized to act on behalf of the Consultant:

**Name:** Kristen Pyle

**Title:** Vice President

**Contact information (email and phone number):** [kpyle@cumming-group.com](mailto:kpyle@cumming-group.com), +1 (303) 547 7724

5.4 Consultant shall coordinate its Services with those services provided by the Client and the Client Parties. Consultant may communicate with the Client's other consultants for the purposes of performing its Services on the Project. The Consultant shall keep the Client informed of any such communications. The Consultant shall provide the Client of written notice if the Consultant becomes aware of any error, omission, or inconsistency in such services or information.

5.5 The Consultant shall keep the Client reasonably informed of the progress of the Consultant's Services.

## 6 OBLIGATIONS OF CLIENT.

6.1 Cooperation of Client. Client agrees to comply with reasonable requests of Consultant and provide access to all documents reasonably necessary to the performance of Services under this Agreement. Client also shall timely provide, or cause to be provided, such consents, permits, approvals, and authorizations as may be requested by Consultant from time to time.

6.2 Client agrees to act in a commercially reasonable, good faith, and timely manner in cooperation with Consultant in order that Consultant may effectively perform its Services.

6.3 Client designates the following representative who is authorized to act on behalf of the Client:

**Name:** Shawn A. Dobberstein, AAE

**Title:** Executive Director

**Contact information (email and phone number):** [shawn@fargoairport.com](mailto:shawn@fargoairport.com), +1 (701) 241 1501

6.4 Within fifteen (15) days after receipt of a written request from the Consultant, the Client shall furnish the requested information as necessary and relevant for the Consultant to evaluate, give notice of, or enforce lien rights.

6.5 The Client shall render decisions and approve the Consultant's submittals, if any, in a timely manner in order to avoid unreasonable delay in the progress of the Consultant's Services.



6.6 The Client shall coordinate the services of its other consultants with the Services provided by the Consultant.

**7. INSURANCE.**

7.1 Client shall cause its design professionals, contractors, and construction managers, and other consultants to name Consultant as an additional insured under any commercial general liability, auto liability, and excess umbrella insurance coverages maintained by such entities for the Project. All such coverages shall be primary to any insurance coverages maintained by the Consultant. Such coverages will be commercially reasonable with limits commensurate with the size and complexity of the Project. All such policies shall contain waivers of subrogation for the benefit of Consultant.

7.1.1 Upon request, Client shall furnish certificates of insurance and endorsements which evidence that the foregoing insurance coverages are maintained.

7.2 To the fullest extent permitted by law, the Client shall indemnify, defend and hold harmless Consultant, and its affiliates and their respective officers, directors, employees, successors and assigns from and against all claims, damages, losses, liabilities, judgments, settlements and expenses, including but not limited to attorneys' fees and related costs, arising out of or resulting from (i) the actual or alleged acts or omissions of Client, its affiliates, the Client Parties, and their respective representatives, agents and employees; and (ii) performance by Consultant in accordance with its scope of authority under the Agreement; and which arise in connection with the design, development and/or construction of the Project and that result in personal injury, bodily injury, sickness, disease, or death or to damage to or destruction of tangible property, and economic loss; provided, further, that the foregoing indemnification shall not apply to the extent of any liability, demand, cost, or expense, loss or damage that results directly from acts of omissions of Consultant which constitute negligence or willful misconduct.

7.3 The Client shall include a provision in any agreement it enters into with respect to the Project with any Client Parties that requires such Client Parties to indemnify and hold harmless the Consultant from claims for bodily injury and property damage (other than to the Project itself) to the extent of the negligent acts or omissions of such Client Parties.

**8. DEFAULT AND TERMINATION OF AGREEMENT.**

8.1 The Client may terminate this Agreement for its convenience with thirty (30) days prior written notice. In such event, the Client shall pay the Consultant for all Services performed up through the date of termination.

8.2 If one Party is in breach of any material provision of this Agreement and/or any Scope of Work entered into under this Agreement and such breach is not cured within thirty (30) days of written notice thereof, the other Party may terminate this Agreement.

8.3 This Agreement will be terminated automatically upon the bankruptcy or insolvency of either party.

9. FORCE MAJEURE.

A delay in or failure of performance by either party (other than payment of money) caused by an act of Force Majeure shall not constitute a default. An act of Force Majeure may include acts of God or the public enemy, expropriation or confiscation of facilities, acts of war, public disorder, rebellion, sabotage, revolution, earthquake, fire, flood or other casualty, riots, strikes or labor disputes, embargo, newly enacted governmental regulations, or any other event beyond the reasonable control of the parties (excluding the financial inability of the Client to perform).

10. DISPUTE RESOLUTION.

In the event of any dispute or difference between the parties arising out of this Agreement, at any time during the term of this Agreement or after the termination, abandonment, or breach of this Agreement, such dispute shall be settled by negotiation between senior officers nominated by each party amicably and in good faith and within a period of fourteen (14) days after nomination. If no settlement is achieved within fourteen (14) days after such nomination, or if one or both parties fail or refuse to nominate senior officers, then such dispute shall be submitted to non-binding mediation by a mutually agreeable impartial mediator pursuant to the Construction Industry Mediation Rules of the American Arbitration Association ("AAA"). If a dispute is not resolved through mediation it shall then be finally resolved by arbitration under the AAA Construction Industry Arbitration Rules currently in effect (the "Rules"), which Rules are deemed to be incorporated by this reference into this article. There shall be a sole arbitrator and the proceedings shall be conducted in English at the place where the Project is located. The decision of such arbitration shall be final and binding on both parties.

11. COPYRIGHTS AND LICENSES.

The Consultant shall remain the author and owner of its work product produced for the Client as a result of performance of the Services, and shall retain all common law, statutory, and other copyrights therein. Such work product includes studies, surveys, estimates, models, sketches, drawings, specifications, and similar representations of the Consultant's Services. The Consultant grants the Client a nonexclusive, perpetual and royalty-free license to use such work product for purposes of designing, constructing, using, maintaining, altering, and adding to the Project. Use of the work product without the involvement of the Consultant releases the Consultant from all claims and causes of action.

12. GENERAL PROVISIONS.

12.1. Notices. Any notices to be given hereunder by either party to the other may be made by either personal delivery in writing or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices shall be addressed to the parties at the addresses appearing in the introductory paragraph of this Agreement, but each party may change the address by written notice in accordance with this paragraph. Notices



delivered personally will be deemed communicated as of actual receipt; mailed notices will be deemed communicated as of five (5) days after mailing.

12.2. Entire Agreement of the Parties. This Agreement supersedes any and all agreements, either oral or written, between the parties hereto with respect to the performance of the Services.

12.3. Partial Invalidity. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

12.4. Confidential or Proprietary Information. Concurrently with execution of the Agreement, the parties shall execute a Confidentiality Agreement substantially in the form of **Attachment D**, if applicable, which protects the confidential and proprietary information and documentation of both Client and Consultant.

12.5. Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State where the Services are performed.

12.6. Mutual Waiver of Consequential Damages. In no other event shall either party be liable to the other for special, indirect, incidental, punitive or consequential damages of any nature including, but not limited to damages arising from the use or loss of use of any facility, loss of goodwill, or loss of anticipated profits on other than the Project.

12.7. Aggregate Limit of Liability. Notwithstanding any other provision of the Agreement, in no event will the Consultant be liable for an amount in excess of the proceeds paid on account of the insurance coverage specified to be maintained by the Consultant under this Agreement; regardless whether the cause of action is based on contract, tort, warranty, strict liability, unjust enrichment, indemnity, or otherwise.

12.8. Amendments. No amendments or modifications of this Agreement or any Scope of Work related hereto shall be valid unless evidenced in writing and signed by duly authorized representatives of both parties.

12.9. Waiver. The failure of either party to insist upon strict adherence to any term of this Agreement on any occasion shall not be construed as a waiver or deprive that party of the right to insist upon strict adherence to that term or any other term of this Agreement. Any waiver must be in writing and signed by the party making the waiver.

12.10. Survival and Severability. All express representations, warranties, indemnifications, and limits of liability included in this Agreement will survive its completion or termination for any reason.

12.11. No Third-Party Beneficiary. This Agreement and all rights hereunder are intended for the sole benefit of the parties hereto and shall not imply or create any rights on the part of, or obligations to, any other entity not a party to this Agreement.

12.12. Non-Solicitation. Client shall not, directly or indirectly, hire or engage any employee of Consultant while such employee is employed by Consultant and for a period of one year after the termination of such employee's employment by Consultant. In addition to all other remedies, including injunctive relief, available to Consultant for Client's breach of this provision, because the parties acknowledge the difficulty of calculating actual damages,



Client agrees to pay Consultant, as liquidated damages and not as a penalty, a sum equal to one hundred percent (100%) of any employee's yearly compensation hired in violation hereof.

12.13. Attorneys' Fees. The prevailing party in any final, binding dispute proceeding shall be entitled to recover from the other party reasonable attorneys' fees and expenses incurred by the prevailing party.

12.14. Use of Client's Name. If, and to the extent approved by Client, Consultant shall have the right to make reasonable use of the name, image or reference to the Project in any promotional advertising or other publication

12.15. Assignment. Consultant shall not have the right to assign or transfer any rights under the Agreement without the consent of the Client, subject to the unconditional right of the Consultant to make an assignment or transfer to an entity which controls, or is controlled by, the Consultant.

This Agreement shall be effective as of the date first above written.

With Attachments:

- A- Scope of Services including Consultant's Proposal dated 04/06/2023
- B- Compensation / Hourly Rates
- C- Consultant Insurance Coverages

#### SIGNATURE PAGE

Municipal Airport Authority of the City of Fargo

Cumming Management Group, Inc.

Name:

Name:

Title:

Title:





## ATTACHMENT A- SCOPE OF SERVICES

(Defined Scope of Services)



**Hector International Airport**  
 Fargo, ND

**Cumming Management Group, Inc.**  
 Attachment A - Scope of Services  
 4/6/2023  
**CONFIDENTIAL**

Phase 2: Pre-construction Services including Contract Negotiations and Contractor Selection  
 Assumes Phase 2 estimated duration of: **3** months (April 2023 to July 2023)

Item	Activities	Project One Participation	Responsibilities	Unit	Unit of measure	Quantity (Hours)	Total Hours
A - Predevelopment							
B - Design Consultant Selection / Negotiations							
C - Contractor Selection / Negotiations							
70	Contractor RFP Evaluation	Significant Involvement	Read and evaluate responses (assumes 4 General Contractor responses). Create comparative Matrices for Owner review.	4	ea	4	16
71	Contractor Worksessions (Interviews)	Significant Involvement	Participate as a non-voting member of the selection committee, to maximize effectiveness in contract negotiations, interviews and follow-up coordination.	2	ea	16	32
72	Contract Negotiations	Significant Involvement	Participate in proposal clarification meeting and negotiations of contract terms and prepare Final Agreement for execution. This line item includes Final Agreement as well as establishment of GMP.	1	ls	28	28
<b>TOTAL HOURS INCLUDING PHASE 2 SERVICES</b>							<b>76</b>
<b>TOTAL PROPOSED FEE INCLUDING PHASE 2 SERVICES</b>							<b>\$ 14,820</b>

**Proposal Notes:**

1 Proposal assumes that services shall begin in April 2023.

Consultant Initial: \_\_\_\_\_ Client Initial: \_\_\_\_\_



## ATTACHMENT B -COMPENSATION / HOURLY RATES

Fee : (select one or both if applicable)

☐ Fixed Fee of \_\_\_\_\_

☒ Hourly Fees as set forth herein on **Attachment B**.

a. The billing rates for Services provided for the Project by Consultant are as follows:

DISCIPLINE	HOURLY RATE
Executive/Senior Vice President	\$350.00
Vice President/Regional Director	\$295.00
Managing Director / Senior Director	\$255.00
Director / Project Director	\$240.00
Associate Director	\$210.00
Senior Manager	\$194.00
Manager	\$163.00
Senior Administrator / Coordinator	\$145.00
Assistant Manager / Administrator	\$131.00
Coordinator	\$113.00
Intern	\$70.00

b. Billing rates will be applied to time spent working directly on the Project and will include travel time to and from meetings and/or Project jobsite.

c. One year after the effective date of the Agreement, and annually thereafter, Consultant's rates will increase by the greater of (i) the change in percentage during the prior twelve (12) month period in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W), or (ii) five percent (5%).

### Reimbursable Expenses:

In accordance with Article 4 of the Agreement, the Consultant shall be reimbursed for the following categories of expenses:

- a. Subconsultants and Reimbursable Expenses provided through the Consultant shall be actual costs plus a mark-up of five percent (5%).
- b. Included in Consultant's fee structure are standard overhead costs and supplies. Client will compensate Consultant for reimbursable expenses required beyond standard overhead costs and supply expenses, which are considered standard for these consulting services. The following are considered examples of expenses beyond our standard scope:
  1. Out-of-region travel, beyond a 50-mile radius of Consultant's office. Travel expenses of Consultant's employees, lodging and subsistence incidental to such travel
  2. Excessive copies of lengthy reports, memos, drawings, and/or correspondence.
  3. Excessive office supplies, courier services, postage or long-distance charges.
  4. Project specific requirements not typically included in Consultant's regular tools for services. Such items may include, but are not limited to, software, hardware, and equipment not currently being used by Consultant, or manuals, books or standards required by specific municipalities or outside agencies involved with a specific project.
  5. Any direct and specific expenses required to provide services.



#### ATTACHMENT C- INSURANCE COVERAGES

The Consultant shall maintain the following insurance coverages:

1. Worker's Compensation and Employer's Liability Insurance. Statutory Worker's Compensation Acts and Employer's Liability Insurance with a limit of One Million Dollars (\$1,000,000) per accident and, for bodily injury by disease, One Million Dollars (\$1,000,000) per employee, and One Million Dollars (\$1,000,000) policy limit for bodily injury by disease.
2. Commercial General Liability Insurance. Coverage of One Million Dollars (\$1,000,000) per occurrence for bodily injury or property damage with an aggregate products/completed operation limit of Two Million Dollars (\$2,000,000) with a separate aggregate limit for the Project. The products/completed operations coverage shall be maintained for three (3) years after completion of the Consultant's Services. The policy shall be endorsed to include the Client and its officers, directors, and employees as additional insureds using ISO Forms 20 10 and 20 37.
3. Automobile Liability Insurance. Coverage of One Million Dollars (\$1,000,000) combined single limit for owned, hired, and non-owned vehicles. The policy shall be endorsed to include the Client and its officers, directors, and employees as additional insureds.
4. Excess Umbrella Liability Insurance. Coverage in excess of the underlying limits for Employer's Liability, Commercial General Liability, and Automobile Liability coverages with a limit of Five Million Dollars (\$5,000,000).
5. Professional Liability Insurance. Coverage on a claims-made basis of Five Million Dollars (\$5,000,000) per claim and aggregate for claims arising out of performance of professional services caused by a negligent error, omission, or act for which the Consultant is legally liable.

All insurance required to be maintained by Consultant shall be primary to any insurance carried by the Client. Consultant shall furnish certificates of insurance evidencing such coverages including a provision that such insurance shall not be cancelled without at least thirty (30) days prior notice (ten (10) days for nonpayment). Policies shall contain express waivers of subrogation to benefit additional insureds.

March 2, 2023

Fargo International Airport  
ATTN: Andrew Holmen  
2801 32<sup>nd</sup> Ave NW  
Fargo ND, 58102

Dear Mr. Holmen,

M-B Companies, Inc. is pleased to quote to the Fargo International Airport P5500C cupping ramp plows. Units will be purchased and built-in accordance to the options you selected utilizing the M-B Companies Minnesota State Contract #222955 and relevant P5500C pricing sheet (see attached).

**P5500C Cupping Ramp Plow.**

Net Price each: \$ 136,680.85

Each Additional Unit: \$ 136,680.85

**Terms and Conditions**

- Shipping: F.O.B. Fargo ND, 58102
- Payment: Pricing listed includes volume discount.
- Term: Net 30
- Pricing does not include any applicable taxes.
- Estimated delivery: 450 Days from date the order is received by MB.
- Warranty: chassis 1-year, engines 2-years, and transmission 3-years.
- Onsite training included (operators and mechanics), not to exceed 3 days in order to accommodate multiple shifts.
- Factory training or pre-shipment inspection at Chilton, WI location available upon request.
- Units will be operated an additional 4 (four) hours (both engines) besides the standard test drive to help with delivery readiness upon arrival.
- Quote good until 5/15/2023

Thank you for this opportunity, if you have any questions please contact myself at 920-242-4134 or email at [jessie.carr@aebi-schmidt.com](mailto:jessie.carr@aebi-schmidt.com)

Respectfully,

*Jessie Carr*

Jessie Carr  
Regional Sales Manager  
M-B Companies, Inc.



April 4, 2023

Hector International Airport  
Andrew Holman  
2801 32<sup>nd</sup> Ave NW  
Fargo ND, 58102

Dear Mr. Holman,

M-B Companies, Inc. is pleased to quote to the Hector International Airport an P5500-C cupping ramp plow unit. Units will be purchased and built-in accordance the options you selected utilizing the M-B Companies Sourcewell contract 111522 and relevant P5500-C pricing sheet (see attached).

**33' P5500-C unit.**

**Net Price each:** \$ 138,128.98

**Each Additional Unit:** \$ 138,128.98

**Terms and Conditions**

- Shipping: F.O.B. Spokane WA 99224
- Payment: Pricing listed includes Sourcewell discount.
- Term: Net 30
- Pricing does not include any applicable taxes.
- Estimated delivery: 450 Days from date the order is received by MB.
- Warranty: chassis 1-year, engines 2-years, and transmission 3-years.
- Onsite training included (operators and mechanics), not to exceed 3 days in order to accommodate multiple shifts.
- Factory training or pre-shipment inspection at Chilton, WI location available upon request.
- Quote good until 6/4/2023

Thank you for this opportunity, if you have any questions please contact myself at 920-242-4134 or email at [jessie.carr@aebi-schmidt.com](mailto:jessie.carr@aebi-schmidt.com)

Respectfully,

*Jessie Carr*

Jessie Carr  
Regional Sales Manager  
M-B Companies, Inc.



M-B Companies, Inc.  
Airport Maintenance Products  
201 M-B Lane | Chilton, WI 53014 | USA  
Phone: +1 920 849 2313 | Fax: +1 920 849 2629  
www.m-bco.com  
sales.mb@aebschmidt.com

Verisys® Registered  
Helpful Auditing  
ISO 9001:2015 Certified

11/6/2022

Quotation For:

Customer		Date	
Address		Quotation #:	
City, State, Zip Code		Customer ID:	
Point of Contact		Quotation valid until:	
Phone and Email Address		Prepared by:	

Comments or Special Instructions:

Delivery charges will be figured based on end user location and current ship rates.

Startup and Training charges will be included at end user location

Final quote to end user will include this information.

PRODUCT CODE	DESCRIPTION	QTY	UNIT LIST PRICE	EXT. AMOUNT	Sourcewell price, 2% discount
P5500-C	Cupping Ramp Plow - P5500-C has cupped ends concentrating snow toward the center of the plow for centerline loading and a broad mold board curvature to provide improved loader handling and productivity. Standard controls provide for angling the entire plow left or right while independently cupping and straightening the two end sections. By positioning the center section in the straight ahead position and cupping both ends, the plow becomes a very efficient dozer. By angling the blade and cupping only the leading end, progress across the ramp can leave a clean side free of spillage to avoid constant additional clean-up passes.	1	\$ 122,070.00	\$ 122,070.00	\$ 119,628.60
<ul style="list-style-type: none"><li>Multiple hitch configurations available to match most loaders.</li><li>Can be retrofitted to existing loaders.</li><li>Plow side hitch included. Chassis side hitch not included. Consult M-B for proper loader / plow size compatibility</li><li>Also available in truck chassis configurations. Consult M-B for compatibility</li><li>Hydraulically actuated ends which fold forward independently for maximum flexible handling of snow</li><li>55 inch moldboard height at fixed 75 degree moldboard angle</li><li>High visibility green polyethylene lined moldboard</li><li>21 foot cutting edge length</li><li>5, 6, &amp; 7 foot ends (depending on length) independently "cup" forward up to 45 degrees</li><li>Hinge point is behind moldboard. No obstruction to impede snow movement along continuous moldboard</li><li>No gaps in cutting edge</li><li>All pivot joints use greaseable bushings</li><li>In addition to "cupping", entire plow hydraulically reversible 35 degrees left and 35 degrees right</li><li>Parallel arm lift with compact straight push frame</li><li>Link arms maintain angle of attack at any height</li><li>Lift has integral gravity float to follow the pavement separate from vertical loader movement</li><li>Plus or minus 3 degrees of moldboard oscillation to follow angled pavement independent of loader</li><li>Indicator in cab helps operator keep plow perpendicular to ground</li><li>Control box mounted in cab.</li><li>Requires one auxiliary hydraulic circuit on loader. Price includes supply valving with switch to choose angling or cupping. Second switch to choose cup left, cup right, or cup both. Plow lift use loader arms</li><li>Two single foam filled casters</li><li>Front mounted rubber deflector to reduce overspray for optimum operator visibility</li><li>Steel cutting edge</li><li>1 yr warranty included in base unit.</li><li>Consult M-B prior to order to confirm choice of plow and other options</li></ul>					
			SUBTOTAL	\$ 122,070.00	\$ 119,628.60
			OTHER		
			TOTAL	\$ 122,070.00	\$ 119,628.60

Price for base unit:

Delivery Starting Point  
Delivery Ending Point

Chilton, WI 53014  
City, State, Zip Code

Delivery price determined by calculated mileage between points (Yahoo Maps) and current shipping rates

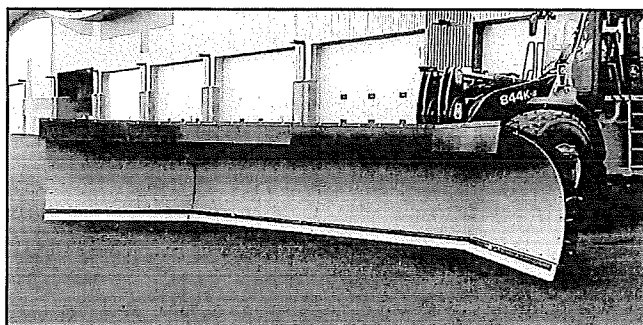
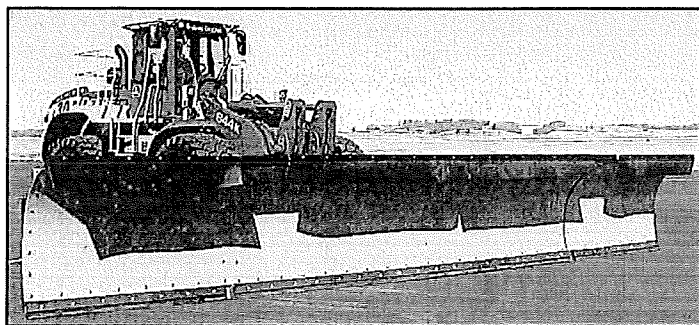
550	\$	8.00	\$	4,400.00
			\$	4,400.00
TOTAL			\$	140,913.84
			\$	138,128.98

List Price      Sourcewell Price

Contact: Steve Mueller  
201 MB Lane  
Chilton, WI 53014  
Phone (920) 898-1077 Fax (920) 849-2629  
E-mail: [steve.mueller@aebl-schmidt.com](mailto:steve.mueller@aebl-schmidt.com)



## P5500-C Airport Cupping Ramp Plow



Reference photos only: showing 35 foot plow with poly cutting edge

- Cupped ends concentrate snow towards center of plow for centerline loading for improved loader handling
- Multiple hitch configurations available to match most loaders. Retrofittable to existing loaders. Plow side hitch included. Chassis side hitch not included. Consult M-B for proper loader / plow size compatibility
- Available in truck chassis configurations. Consult M-B for compatibility
- Hydraulically actuated ends fold forward independently
- 5, 6, & 7 foot ends (depending on length) independently "cup" forward up to 45 degrees
  - Hinge point is behind moldboard. No obstruction to impede snow movement along continuous moldboard
  - No gaps in cutting edge
  - All pivot joints use greaseable bushings
- 55-inch moldboard height at fixed 75-degree moldboard angle
  - High visibility green polyethylene lined moldboard
- 21 foot cutting edge length
- In addition to "cupping", entire plow hydraulically reversible 35 degrees left and 35 degrees right
- Parallel arm lift with compact straight push frame
  - Link arms maintain angle of attack at any height
  - Lift has integral gravity float to follow the pavement separate from loader movement both vertical and sway
  - Plus or minus 3 degrees of moldboard oscillation to follow angled (sway) pavement
  - Level indicator with control box mounted in cab. Tells you when the plow is perpendicular to the ground
- Requires one auxiliary hydraulic circuit on loader.
  - Included: valves with switch to choose angling or cupping. Second switch to choose cup left, cup right, or cup both. Plow lift uses loader arms
- Two single foam filled casters
- Front mounted rubber deflector to reduce overspray for optimum operator visibility
- Steel cutting edge
- Consult M-B prior to order to confirm size of plow and other options.



a brand of aebe schmidt

#### **Cupping Ramp Plow Options:**

- Female portion of loader/chassis coupler on plow:
  - Volvo
  - JCB
  - JRB
- Plow widths to 23, 25, 27, 29, 31, 33, and 35 foot.
- Poly, Carbide, Kueper and Tungsten carbide inserted rubber cutting edge in place of steel cutting edge available in each length of plow.

#### **Cupping Ramp Plow Spare Part Options:**

- Spare caster tire and wheel, foam filled
- Spare caster tire, wheel, hub, bearings, axle and nuts, foam filled
- Poly, Carbide, Kueper and Tungsten carbide inserted rubber cutting edges available in each length of plow.

## **SPECIFICATIONS FOR 33 FOOT RAMP PLOW WITH STRAIGHT MOLDBOARD, POWER REVERSIBLE & CUPPING**

### **GENERAL**

This specification describes a Power Reversible Ramp Plow with a full length straight modified C-shape profile with steel moldboard and ends that fold (Cup) forward to 45 degrees, manufactured expressly for airport ramp plowing. The moldboard shall incorporate a polyethylene sheet over the face of the moldboard to reduce the coefficient of friction between the snow and the plow. This plow shall be rigidly built of new material suited for continuous work under extreme conditions of snow removal.

The front attachment plow hitch to the loader shall be a loader type quick attach. It shall allow easy interchange of the plow and other attachments. It shall be hydraulically operated for plow lift, swing, and cup. The plow moldboard, push frame, swing, lift, and cup must be capable of being completely removed from or attached to the loader. All components of the plow shall be on the plow side of the quick coupling.

### **PLOW HITCH**

The plow shall be equipped to mount to the loader using a Volvo L180 quick attach female coupler and shall be a sufficient size to support the weight and operation of the plow. It shall allow easy interchange of the plow and other attachments. All hydraulic lines from the loader to the plow side of the hitch shall be of quick disconnecting type and clearly marked for ease of change. (If sold through a loader dealer, QD's on end of hoses to be supplied and installed by the dealer)

**Lift:** The plow lift shall utilize the loader system. For flotation, the plow hitch shall have a parallel link type consisting of two (2) parallel A-arms formed from steel plate. The design shall incorporate a slide link between the arms for lifting.

**Swing:** The plow swing system of the hitch shall be equipped with two double acting hydraulic cylinders enabling the plow to be angled left, right or straight ahead. Minimum angle to the left or right shall be 35 degrees. The cylinders shall be heavy duty to allow for heavy snow plowing under severe conditions and shall be equipped with a double acting hydraulic cushion valve mounted on the plow to protect the cylinders from damage. Mounting plates for the swing cylinders shall be 0.50 inch in thickness. The cylinder mounting bolts shall be 1.00 inch diameter. The hydraulic port in the angling cylinders shall be 0.75-16 standard straight SAE "O" ring thread. The hoses used shall be standard 0.50 inch SAE 100R2 rated.

The swing pin (center and vertical) shall be a minimum of 2.5 inch diameter by 32.75 inch in length with top and bottom yokes. There shall be bronze bushing installed in the center of each yoke assemblies for low friction movement of the swing pin. The two parallel box section lift arms shall be attached to the top and bottom yoke. The yokes / lifting arms connections shall have a hardened steel sleeve bushing with replaceable solid pins.



**Oscillation:** The plow oscillation system of the hitch shall incorporate a drive frame that allows oscillation of the plow with respect to the loader in order to follow the pavement contour. The plow shall oscillate a minimum of 2 degrees overall. The oscillation mechanism shall consist of two front facing vertical plates which can pivot and slide. When the plow is carried in the raised position and angled right or left the plow shall remain approximately level to the pavement.

The front plate shall be 0.50 inch thick steel plate with a bushing on the top for the oscillation pivot tube and slots cut in the bottom for the oscillation slide bushings. It shall be the middle support structure for the push frame. The back plate shall consist of a formed 0.50 inch plate and backing plate to form a boxed section. The oscillation pivot tube and oscillation slide bushings shall be welded in place facing forward on the boxed section. The back side of the boxed section shall attach to the plow swing pivot pin (center vertical).

A 0.38 inch thick poly plate shall be sandwiched between the two oscillation plates to reduce friction and wear. No metal on metal. The oscillation assembly (two plates) shall be held together with eight bolts, 1.0 inch diameter with backing plates and lock nuts. There shall also be two rubber cushions bolted to the plow push frame to limit and cushion the end of oscillation travel.

#### **PLOW PUSH FRAME**

The push frame shall be of severe duty design, welded construction. There shall be eight urethane cushions on the bottom of the plow frame compressed to a length of 4 inches by means of eight bolts, 1.25 inch in diameter, and lock nuts. For durability and safety on the runway, four cushion assemblies shall have a 1.50 inch OD hardened steel sleeve tube over each bolt for sliding inside the push frame. This prevents over compression of the rubber cushion when assembling and prevents wear of the bolt.

#### **MOLDBOARD ASSEMBLY**

The moldboard attack angle shall be 75 degrees. The moldboard shall not be less than 55 inch high for the entire length, nor less than 33 feet long at the cutting edge, and formed for ramp plowing operations.

The moldboard sheet shall be formed from 12 ga thick mild steel. In order to offer a low coefficient of friction and resistance to both corrosion and impact, a 0.38 inch thick VHMW unwelded polyethylene sheet shall be attached to the face of the moldboard. The sheet shall be formed from a polyethylene material that is made from new resin (recycled material is not acceptable), and shall be color impregnated and ultra violet stabilized to a lime green pigmentation for best visibility in snow removal operations. Welding of sheet is not allowed.

Moldboard reinforcement shall include a full length heavy duty tube across the top and bottom on the back of the steel moldboard with adequate vertical ribs tying the upper and lower box together. It shall also include a formed cutting edge mounting angle and its gussets.

There shall be 14 vertical ribs in the center section, and 6 vertical ribs at each 7 foot wing. For The center section the ribs will be welded to two 6 inch square x 0.19 in wall tubes,

spaced 31.88 inches from each other. The wings will have two 6 in x 4 in x 0.25 in wall tubes welded to the ribs.

### **FOLDING MECHANISM**

The moldboard ends shall have folding forward (cupping) capabilities to change the moldboard from a standard straight ramp plow to a high capacity scooped ramp plow. Hydraulic cylinders with a minimum bore of 4 inches shall extend each end of the moldboard forward to a minimum of 45 degrees. The cupping mechanism and cylinders shall be independent of each other or the plow swing system. Thus the entire cupping mechanism must be part of the moldboard / pushframe, one for each end. The moldboard hinges shall utilize 2 inch diameter pins and Garlock bearings for maximum load capacity and longevity. Gussets between the bearing housings and moldboard pushframe shall be provided to distribute the load evenly. There shall be no gap at the cutting edge or on the moldboard to allow snow and ice to pass through when the plow is straight or cupped. The cutting edge gap will be filled with two replaceable cast poly blocks.

### **CUTTING EDGE**

Shall be tungsten carbide inserted rubber (JOMA 6000 or equivalent). The inserts shall be beveled on both sides and the blade shall be not less than 0.75 inch thick by 6 inches wide. The cutting edge shall be supplied in multiple 3 and 4 foot sections to assemble the overall length for ease of installation and handling. The cutting edge will be supplied with a 0.50 x 3.00 thick backing plates and a 0.50 x 3.00 inches wide hardened retaining strips.

### **ADJUSTABLE FOAM FILLED SINGLE CASTER WHEEL ASSEMBLY**

There shall be two single tire and wheel assemblies with one assembly mounted to each folded part of the plow. Casters shall be capable of swiveling 360 degrees.

Tires shall be foam filled 225/75-10, 20 ply. Wheels shall be 10 inch diameter X 6.50 inch wide minimum. They shall ride on hubs fitted with Timken tapered roller bearings. Each bearing shall include seal, lubrication fitting and pressure relief plug. Axles shall be a minimum of 2.00 inches in diameter. Each caster spindle shall have a rating of no less than 5000 pounds at 25 mph. Wheel, tire, and axle assembly shall be easily removed from the caster fork.

Vertical adjustment shall be accomplished through two caster barrel arrangements. The outer barrels of the barrel arrangements shall be heavy duty steel tubing provided as part of the major caster mounting bracketry as a welded unit. Inner tubes shall be sized for grease/lubrication fit. Inner tubing to be ground and hard chrome plated to mate with honed outer steel tube housing. Inner tube shall be held centered in outer tube by means of heavy duty nylon rings at top and bottom. The screw adjustment rod shall be heavy threaded rod fitted with jam nut for maintaining adjustment from not less than 1.375 inch diameter stainless steel, threaded rod.

The struts shall provide a mechanical fine height adjustment to control the height of the cutting edge and thus the weight on the cutting edge when in the plow down position.



March 2, 2023

Fargo International Airport  
ATTN: Andrew Holmen  
2801 32<sup>nd</sup> Ave NW  
Fargo ND, 58102

Dear Mr. Holmen,

M-B Companies, Inc. is pleased to quote to the Fargo International Airport MB5 Multi-Tasking Snow Removal units. Units will be purchased and built-in accordance the options you selected utilizing the M-B Companies Minnesota State Contract #222955 and relevant MB5 pricing sheet (see attached).

**MB5 Multi-Tasking Snow Removal unit.**

Net Price each: \$ 988,992.15

Each Additional Unit: \$ 988,992.15

**Terms and Conditions**

- Shipping: F.O.B. Fargo ND, 58102
- Payment: Pricing listed includes volume discount.
- Term: Net 30
- Pricing does not include any applicable taxes.
- Estimated delivery: 450 Days from date the order is received by MB.
- Warranty: chassis 1-year, engines 2-years, and transmission 3-years.
- Onsite training included (operators and mechanics), not to exceed 3 days in order to accommodate multiple shifts.
- Factory training or pre-shipment inspection at Chilton, WI location available upon request.
- Units will be operated an additional 4 (four) hours (both engines) besides the standard test drive to help with delivery readiness upon arrival.
- Quote good until 5/15/2023

Thank you for this opportunity, if you have any questions please contact myself at 920-242-4134 or email at [jessie.carr@aebi-schmidt.com](mailto:jessie.carr@aebi-schmidt.com)

Respectfully,

*Jessie Carr*

Jessie Carr  
Regional Sales Manager  
M-B Companies, Inc.



M-B Companies, Inc.  
Airport Maintenance Products  
201 MB Lane | Chilton, WI 53014 | USA  
Phone: +1 920 849 2313 | Fax: +1 920 849 2629  
www.m-bco.com  
sales.mb@aebi-schmidt.com

Verisys Registrars®  
Helpful Auditing  
ISO 9001 2015 Certified

11/8/2022

Quotation For:

Customer	Hector International Airport	Date	4/4/2023
Address	2801 32nd Ave NW	Quotation #:	Sourcwell 111522
City, State, Zip Code	Fargo ND, 58102	Customer ID:	
Point of Contact	Andrew Holmen	Quotation valid until:	6/4/2023
Phone and Email Address	701-241-1501	Prepared by:	Jessie Carr

Comments or Special Instructions:

Delivery charges will be figured based on end user location and current ship rates.

Startup and Training charges will be included at end user location

Final quote to end user will include this information.

PRODUCT CODE	DESCRIPTION	QTY	UNIT LIST PRICE	EXT.. AMOUNT	Sourcwell price, 2% discount
MB5	The MB5 Mid-Mount Compact Multi-tasking Snow Removal Vehicle is a heavy duty chassis with four wheel/power divider 4 x 4 drive. The axles are designed for sharp steering cramp angles. Combined with standard all wheel steer, the axle design provides for remarkably small turning circles. The tapered spring suspension assures a smoother ride than conventional springs, and increases driver control. The standard MB5 includes the P5020-S-D Airport Reversible Plow: 20 foot plow length, straight 50 inch plow height, DIN flat face hitch, steel cutting edge, two heavy duty single casters, and is reversible left and right up to 32 degrees. The standard MB5 includes the 4618 Vertical Lift Airport Broom: 18 foot broom length, 14.7 foot swept path, 46 inch diameter powered by a 496 HP T4F auxiliary engine. Associated standard hydraulics provide up to 500 rpm broom speed with up to 4,828 ft-lbs available torque at broom head, and forced dual impeller air blower system. Broom is free floating by means of an automatic weight transfer system, mounted to chassis by means of a DIN flat face hitch. Broom head includes four single tire caster assemblies. All poly wafer type bristles are standard. Broom is reversible left and right up to 35 degrees.	1	\$ 934,132.00	\$ 934,132.00	\$ 915,449.36
Bulleted Items are Included or are features of the Base Unit					

- Single frame construction allows fast and safe turns
- Operating speeds up to 45 MPH
- Butterfly type hood enclosure for both chassis and auxiliary engines, opens with power assist for maintenance and repair access
- 496 HP electronic turbocharged T4F EPA emission certified diesel engine standard, includes ether start
- Allison RDS 4000, 6 speed transmission
- M-B "Up Box" and "Down Box" route drive shaft over broom head
- M-B 29,000 pound front drive / steer axle and M-B 27,000 pound rear drive / steer axle
- Tapered spring suspension for smoother ride and increased driver control
- ABS air brake control system (4-channel) with automatic traction control
- Dual 75 gallon fuel tanks for drive engine, dual 75 gallon fuel tanks for broom engine, with up to 12 hours of operation
- 445/65R22.5 LR L traction tread front and rear tires
- Includes battery disconnect switch and centrally located fluid drain lines
- Integrated microprocessor CAN bus electric over hydraulic controls for chassis and attachments
- Electric auxiliary motor with hydraulic pump for service and back-up for all hydraulic control circuits.
- M-B two-man, air ride cab: Panoramic view. All flat glass for easy and local replacement. Forward slope windshield. Four windshield wipers with three motor system for reduced linkage issues and to provide better snow removal from windshield. Air-ride driver and passenger seats with adjustable lumbar support. Standard features include FMVSS compliant lighting, side light bars, heated windshield, cab heater, heated power mirrors, power windows, FAA approved amber strobe mounted on cab and rear engine enclosure.
- Operator friendly, cab integrated microprocessor CAN bus controls with MDC (Monitor, Diagnose, Control) ) color screen display for chassis and equipment, with CAN joystick for attachment operation
- 1 yr warranty included in base unit.

SUBTOTAL	\$	934,132.00	\$	915,449.36
OTHER		-		
TOTAL	\$	934,132.00	\$	915,449.36

Price for base unit:

OPTIONS

Chassis Options					
Engine oil pan heater, pad type		\$	776.00	\$	-
Engine block heater, immersion type	1	\$	537.00	\$	526.26
Battery trickle charger, 1.5 amp	1	\$	622.00	\$	609.56
Battery charger, 20 amp		\$	707.00	\$	-
Battery heater, pad type		\$	1,146.00	\$	-
Remote battery jump start lugs	1	\$	384.00	\$	376.32



Fuel tank heater, pad type		\$ 776.00	\$ -	\$ -
<b>Broom General Options</b>				
Broom speed tachometer	1	\$ 928.00	\$ 928.00	\$ 909.44
Ground speed control (Must include automatic brush pattern adjustment and broom speed tachometer)	1	\$ 609.00	\$ 609.00	\$ 596.82
Broom hydrostatic pressure gauge	1	\$ 534.00	\$ 534.00	\$ 523.32
Auto stripper bar adjustment system (Required: automatic brush pattern adjustment)	1	\$ 3,466.00	\$ 3,466.00	\$ 3,396.68
<b>Broom Wafer Options</b>				
All steel 10# wire wafers in place of all poly on 18 foot broom		\$ 776.00	\$ -	\$ -
All steel 10# wire wafers in place of all poly on 20 foot broom		\$ 889.00	\$ -	\$ -
All steel 10# wire wafers in place of all poly on 22 foot broom		\$ 946.00	\$ -	\$ -
8# poly, 10# wire, 50/50 wafers in place of all poly on 18 foot broom		\$ 388.00	\$ -	\$ -
8# poly, 10# wire, 50/50 wafers in place of all poly on 20 foot broom		\$ 448.00	\$ -	\$ -
8# poly, 10# wire, 50/50 wafers in place of all poly on 22 foot broom		\$ 510.00	\$ -	\$ -
<b>Broom Spare Parts</b>				
Spare set 18 foot cores		\$ 5,654.00	\$ -	\$ -
Spare set 20 foot cores		\$ 6,033.00	\$ -	\$ -
Spare set 22 foot cores		\$ 6,332.00	\$ -	\$ -
Set of four broom carts, non-adjustable		\$ 1,219.00	\$ -	\$ -
End plate jack for use with core change (2)		\$ 565.00	\$ -	\$ -
Spare caster tire and wheel, nitrogen filled		\$ 715.00	\$ -	\$ -
Spare caster, tire, wheel, hub, bearings, axle and nuts, nitrogen filled		\$ 947.00	\$ -	\$ -
Spare caster tire and wheel, foam filled		\$ 546.00	\$ -	\$ -
Spare caster, tire, wheel, hub, bearings, axle and nuts, foam filled	1	\$ 763.00	\$ 763.00	\$ 747.74
46" x 19.5" Poly Wafer, 8 lbs. 101-137212		\$ 26.25	\$ -	\$ -
46" x 19.5" 13# Wire Wafer, 13lbs. 101-92109		\$ 38.06	\$ -	\$ -
19.5" Spacer Ring. 402-93914		\$ 3.10	\$ -	\$ -
<b>MB5 add on options:</b>				
1250 gallon liquid deicer with 22 foot boomless spray bar		\$ 91,580.00	\$ -	\$ -
5 cubic yard dry material spreader with 200 gallon pre-wet system		\$ 103,647.00	\$ -	\$ -
Additional for upgrading to (MB5C) including fully cradling. Liquid or dry material spreaders unavailable with this option.		\$ 131,665.00	\$ -	\$ -
Options Subtotal			\$ 55,805.00	\$ 54,688.90
Total from Base unit			\$ 934,132.00	\$ 915,449.36
Total Unit Price			\$ 989,937.00	\$ 970,138.26
Discount off Total Unit Price, exclusive of freight, Quantity 3+ units; deduct: 2%	2%	\$ 19,402.77	\$ 970,534.23	\$ 950,735.49
<b>Delivery Starting Point</b>	Chilton, WI 53014			
<b>Delivery Ending Point</b>	City, State, Zip Code			
Delivery price determined by calculated mileage between points (Yahoo Maps) and current shipping rates	550	\$ 29.00	\$ 15,950.00	\$ 15,950.00
<b>SUBTOTAL</b>			\$ 986,484.23	\$ 966,685.49

List Price      Sourcewell Price

Optional dual core Cassette in place of wafer cores with 50/50 steel poly fill  
Optional refill for 50/50 steel/poly refill kit

\$ 25,564.00  
\$ 7,038.00

**TOTAL**

\$ 999,287.49



**mb**  
a brand of aebschmidt

## MB5

### Multi-Tasking Snow Removal Equipment

When it comes to airport multi-tasking snow removal, the MB5 is the industry standout. This versatile custom cab forward single unit chassis pushes a heavy duty, front mounted plow and finishes airport clean-up with a mid-mounted broom equipped with forced air blowers between the axles.

#### Features & Benefits

- Single frame design eliminates the undesirable whip action of articulated frame vehicles
- Superior maneuverability with a remarkably small turning circles
- Tapered spring suspension assures a smoother ride than conventional springs and increased driver control
- Drive train assures the most efficient use of vehicle power with full time all-wheel drive with a full locking center differential, and a lockable controlled traction differential at each axle
- Electronic automatic traction control
- Cab integrated microprocessor CAN bus controls
- MB two-man air ride cab
- Standard accessories include: side light bars, heated windshield, high capacity cab heater, heated power mirrors and power windows
- Unit includes a front mounted P5000 series plow, 20 to 24 ft in length with your choice of cutting edge
- Unit includes a mid-mounted 4600 series HP4 broom head, available in lengths 18 to 22 ft for variable sweeping path widths to match your requirements
- 496 HP electronic turbocharged diesel auxiliary engine, T4F EPA / Stage 5 emission certified with ether start and heated fuel water separator

MB5	
Chassis	Four wheel, 4x4 drive, all wheel steer
Engine	496 HP electronic turbocharged diesel chassis engine, T4F EPA / Stage 5 emission certified with ether start and heated fuel water separator
Transmission	Allison RDS 4000, 6 speed
Front Axle	29,000 lbs
Rear Axle	27,000 lbs
Brakes	ABS air brake control system (4-channel) with automatic traction control
Fuel Tank	Dual 75 gal fuel tanks
Wheel Base	AWD
Tires	445/65R22.5 LR L traction tread front and rear tires




**SNOW  
PRODUCTS**
**Customer Information:****QUOTATION**

625170	Customer #	Date:	4/04/2023
Hector International Airport	Customer	Quotation/INQ #:	9754
Darren Anderson	Contact Name	Customer Reference:	N/A
P.O. Box 2845	Address	Sales Manager:	Thomas Carle
Fargo, ND 58108 (701) 241-1501	City, State, Zip, Phone		

QTY	DESCRIPTION	UNIT PRICE	TOTAL PRICE
1	H-Tractor w/ 24ft Plow	\$656,200.00	\$656,200.00
1	Towed Behind Broom 22ft	\$791,300.00	\$791,300.00

Freight Terms : FOB to Customer

Freight Cost: Included

GRAND TOTAL ( plus any applicable tax)..... \$1,447,500.00

Vehicle In-Service : Provided by Oshkosh Aftermarket

Terms, Taxes and Conditions of Sale: Standard terms and conditions apply. See attached. Unless stated above, VAT, GST, state and local taxes, and other miscellaneous taxes are not included in the price quoted above. All such taxes will be added to the TOTAL CONTRACT VALUE, if payable by Contractor. Quotation valid only if accepted by both Contractor and Purchaser on or before date listed above. All stock units are offered subject to prior sale, first come first serve basis. Purchase order and signed quote accepted in conjunction by Oshkosh is required before Validity Term Date to commence contract agreement.

Additional Notes: Quotation valid only if accepted by both Contractor and Purchaser on or before date listed below. Quote subject to cancellation if there is a prior sale.

Validity Term Date: May 15, 2023

SUBMITTED BY:	Jason Bunnell	Contract Manager
	<i>Jason Bunnell</i>	4/04/2023
	Signature	Date

*Ink or Digital Signature below indicates acceptance of quote and terms and conditions of sale.*

ACCEPTED BY :	Darren Anderson	Assistant Director
	Contact Name	Title
	Signature	Date

**TERMS AND CONDITIONS OF SALE**  
**INCLUDING LIMITATIONS OF WARRANTY**

**Order Placement.** All goods and services furnished by Oshkosh Defense, LLC, ("Oshkosh") are governed by these Terms and Conditions of Sale. Placement of order by Buyer shall be in accordance with Oshkosh's current procedure. Acceptance by Oshkosh of Buyer's order is expressly conditioned upon Buyer's acceptance of these Terms and Conditions, including those on the face of the order acceptance, and any provisions of Buyer's order or other communication in conflict with these Terms and Conditions are expressly rejected. Stenographic and clerical errors are subject to correction. No additions or modifications shall be valid unless confirmed in writing by Oshkosh. Oshkosh may supplement or alter these Terms and Conditions of Sale, issue product and/or sale policy announcements, or the like, but no such publication shall supersede any of these Terms and Conditions of Sale. OSHKOSH IS NOT BOUND TO FURNISH ITS GOODS OR SERVICES EXCEPT IN ACCORDANCE WITH THE TERMS OF ITS ORDER ACCEPTANCE FORM.

**Cancellation.** Buyer may cancel the order, in whole or in part, by written notice any time, provided the Buyer pays: a) the cost, including installation and removal costs, of any equipment purchased by Oshkosh prior to cancellation for the purpose of filling Buyer's order and not usable by Oshkosh for making other goods it then manufactures; b) the quoted price for all goods finished and ready to ship; and c) other reasonable costs (including but not limited to the cost of raw materials and goods still in the process of manufacture but unfinished at the time of cancellation) which Oshkosh may have incurred in the performance of the order. Notice of cancellation is not effective until received by Oshkosh at its corporate address (Oshkosh Defense, LLC, 2307 Oregon Street, Oshkosh, Wisconsin 54902 U.S.A., Attn: Business Unit Director, Snow Products). If Buyer elects to cancel the order in part, Oshkosh may, at its option, within a reasonable time, thereafter, cancel the entire order by written notice. If Buyer elects, upon payment of costs of equipment, quoted prices of goods finished and ready to ship and/or costs of raw materials, it may take delivery of the same as provided below.

**Price/Delivery.** Unless otherwise provided by our quotation or agreed to by us in writing, price and delivery terms shall be: a) Product—ex-factory shipping point; b) Parts--F.O.B. shipping point. All applicable taxes shall be for the account of Buyer. Unless otherwise agreed in writing, we will select the route and manner of shipment, reserve the right to make delivery in installments, when necessary, to invoice each installment separately, and to expect payment for each installment within our selling terms. All risk of loss shall pass to the Buyer at the point and time of delivery set forth in this paragraph. Prices for goods shall be those in effect on the date of invoice unless otherwise provided by our quotation or agreed to in writing by Oshkosh. If Oshkosh shall fail to make delivery, or Buyer to accept delivery, according to the agreed upon delivery schedule, the other party may cancel the then remaining balance of the order unless the delay is an excusable delay. Prices are good for only quantities indicated. If shipment or any other act or condition affecting payment for the goods or any part of them shall be delayed on account of Buyer, payment shall be due as if shipment had been made. A reasonable storage charge may be made and such storage shall be at the risk of Buyer.

**Payment/Credit/Security.** All payments shall be made in U.S. dollars. Payment shall be due upon delivery or as otherwise provided by our quotation, order acceptance, invoice, or other writing. We reserve and by its order Buyer grants a security interest in all goods wherever located until payment has

Buyer's Remedies. At its option, Oshkosh will repair or replace nonconforming goods, or allow a credit for the replacement price of parts.

Exclusions of Incidental and Consequential Damages. In no event shall Oshkosh be liable for any incidental, special, indirect, or consequential damages, whether resulting from non-delivery or from Oshkosh' own negligence or other tort. This exclusion applies regardless of whether such damages are sought for breach of warranty, breach of contract, negligence, or strict liability in tort or under any other legal theory.

Excusable Delay. We shall not be responsible nor deemed to be in default on account of delays in performance due to causes which are beyond our control and not occasioned by our fault or negligence and which make our performance impracticable, including but not limited to civil wars, insurrections, strikes, riots, fires, storms, floods, other acts of nature, explosions, earthquakes, accidents, any act of government, delays in transportation, inability to obtain necessary labor supplies or manufacturing facilities, allocation regulations or orders affecting materials, equipment, facilities or completed products, failure to obtain any required license or certificates, acts of God or the public enemy, failure of transportation, epidemics, quarantine restrictions, failure of vendors (due to causes similar to those within the scope of this clause) to perform their contracts or labor troubles causing cessation, slowdown, or interruption of work provided such cause is beyond our reasonable control.

Indemnification. Buyer shall indemnify and hold Oshkosh harmless from any and all damages or injury of any kind or nature whatsoever (including, but without limitation, personal injury and death) to all property and persons caused by, resulting from, arising out of or occurring in connection with the Buyer's sale, installation or use of goods sold or supplied by Oshkosh and not caused by the negligence of Oshkosh, its employees or agents, or arising out of defects in any such goods.

No Waiver. The failure of Oshkosh upon knowledge of any default or violation by Buyer of any of the Terms and Conditions of this agreement to enforce its rights or remedies shall not be construed as a waiver of such default or violation, or of any provision hereof, or of any of its rights or remedies.

Equal Opportunity Employment. We are an Equal Opportunity Employer and comply with all applicable federal, state, and local laws, regulations and ordinances. We agree upon request to furnish Buyer a certificate to such effect in such form as is acceptable to both parties.

Entire Agreement and Governing Law. Except as otherwise agreed in writing, this constitutes the entire purchase agreement between us, superseding all prior quotations and understandings, oral or written. Any questions concerning the validity, interpretation or effect of this Agreement are governed by the laws of the State of Wisconsin. The rights and obligations of the parties hereunder shall not be governed by the provisions of the 1980 United Nations Convention on Contracts for the International Sales of Goods.



## **PAYMENT TERMS AND CONDITIONS**

The payment terms and conditions for this offer covered by this Agreement are defined below, and Payable as follows;

1. Against our Commercial Invoice which will be issued upon the completion and availability of the vehicle to customer Ex-factory, Oshkosh, Wisconsin. There will not be any delayed billings.
  - a. If unit is for a commercial, municipal, airport, or governmental customer, payment is due thirty (30) days from date of issuance.
2. Against a signed Promissory Note, Ex-factory, Oshkosh, Wisconsin, as follows:
  - a. If a unit is retailed at time of invoicing, the first sixty (60) days of said Note will be interest free; the remaining sixty (60) days of said Note will bear finance charges as stated below.
  - b. All finance charges will be at a rate of 2% per annum (floating) over the average base rate of interest established from time to time by Bank of America, Chicago, Illinois, but in no event at a rate per annum in excess of the maximum rate allowed by law.
  - c. If unit is for Buyer stock, the first ninety (90) days of said Note will be interest free; the remaining sixty (60) days of said Note will bear finance charges as stated below.
  - d. All finance charges will be at a rate of 2% per annum (floating) over the average base rate of interest established from time to time by Bank of America, Chicago, Illinois, but in no event at a rate per annum in excess of the maximum rate allowed by law.
  - e. Payment under said note will be due at maturity or within two (2) calendar days after the earliest of these conditions:
    - i. delivery of the vehicle to a third party in connection with its sale;
    - ii. receipt by Buyer of substantially all the payment for the sale of the vehicle
    - iii. transfer date of the Certificate of Origin for the Vehicle. Certificate of Origin to be released in exchange for an executed Promissory Note addendum which states that Oshkosh will receive payment within two (2) business days of Buyer receiving payment.
  - f. Buyer will provide Oshkosh with an acceptable Certificate of Insurance for units placed into Buyer inventory.
3. In all cases, unless otherwise specifically agreed to in writing by Oshkosh Finance/Credit Department, the Certificate of Origin to the Vehicle will be rendered to the Buyer only upon receipt of payment in full by Oshkosh.
4. It is understood that these terms of payment shall be modified at the discretion of Oshkosh upon written notice to the Buyer at any time before delivery of the order or any portion thereof. Such notice shall be issued in the event that any of the following criteria for credit extension do not meet Oshkosh's standards:
  - a. Final Oshkosh Finance/Credit Department approval prior to shipment;
  - b. Timely receipt of applicable advance or regular trade account payments;
  - c. Confirmation of unconditional payment arrangements; and/or
  - d. Completion of debt and security documentation.
5. Any term or condition contained in any purchase order, or other communication by Buyer or any document in which these payment terms are incorporated, is agreed by Buyer always to be superseded and controlled by those of Oshkosh. Waiver, modification, or additions to



*Details Of Product Offering*  
Customer  
**Hector International Airport**

Product  
**Oshkosh H-Tractor and Towed Behind Broom**  
Item Description

DATE  
**4-Apr-2023**

AUXEQUIP-SHT	Plow / Tow Behind Broom Only
AUXEQUIP-SHT	Oshkosh Aux Equip Installed
AUXEQUIP-SHT	OSK-Din Hitch, NO Frt Frm Ext.
PLOW-SHT	*Standard Plow Items*
PLOW-SHT	Oshkosh,Installed at Oshkosh
PLOW-SHT	24'
PLOW-SHT	Flared Rigid
PLOW-SHT	DIN Hands Free, DIN on truck
PLOW-SHT	Polyurethane
PLOW-SHT	Air filled,Oscillating,16'or >
PLOW-SHT	Hyd, Plow,Hitch,No Scraper
ENGINE-SHT	500HP,150A Alt,W/A-C ,Tier IV
ENGINE-SHT	*Standard Engine Items*
ENGINE-SHT	Precleaner,Turbo (Std)
ENGINE-SHT	Blk Heater,(120V) W/Thermostat
ENGINE-SHT	Oil Pan Heater (120V),Pad Mtd
DRIVELINE-SHT	*Standard Driveline Items*
DRIVELINE-SHT	Xmsn,4000RDS,6 SP,500HP (Std)
DRIVELINE-SHT	30K Single Spd Autolock,1:1.27
FRONTAXLE-SHT	*Standard Frt Axle/Susp Items*
FRONTAXLE-SHT	Frt,29K,6.17(HD),Dual Gears
REARAXLE-SHT	*Standard RR Axle/Susp Items*
REARAXLE-SHT	26K Rr Axle AWS 6.17 (4X4)
CHASSIS-SHT	*Standard Chassis Items*
CHASSIS-SHT	WheelBase 158"(Standard) (4x4)
CHASSIS-SHT	44.5" Axle to End (Standard)
CHASSIS-SHT	Coolant Engine/Hyd Steer Oil
CHASSIS-SHT	Mudflaps/Rr Fenders,*4x4 Only*
CHASSIS-SHT	Lube Chart Label(Engine Cover)
CHASSIS-SHT	Pintle Hook Rr(6K Vert/30K Max
CHASSIS-SHT	Indicator,Hyd Filters,Auto
CHASSIS-SHT	Manuals (1) Set
CHASSIS-SHT	Manuals (1) Set
WHEELS/TIRES-SHT	*Standard Wheel/Tire Items*
WHEELS/TIRES-SHT	395/85R20 MV/T Goodyear*(STD)*
WHEELS/TIRES-SHT	None
WHEELS/TIRES-SHT	395/85R20 MV/T Goodyear (Std)
CABINT-SHT	*Standard Cab Interior Items*
CABINT-SHT	10# BC W/Purple K W/Brkt
CABINT-SHT	Defroster Fan,Qty 2, In Cab

BROOM-STB	Air-Filled Caster Wheels
BROOM-STB	Snow Shed
BROOM-STB	Broom Vibrator
BROOM-STB	Standard Bristle Clearance
BROOM-STB	Jet Blowers
ENGINE-STB	500HP,100 Amp Alt,Tier 4F
ENGINE-STB	Air Cleaner (Standard)
ENGINE-STB	Heater,Engine Oil 300W 120V
ENGINE-STB	Heater,Engine Water 1500W 120V
AXLE-STB	All Steer 26K (Standard)
CHASSIS-STB	Remote Drain Kit
CHASSIS-STB	Lube Chart Label(Engine Cover)
FUEL-STB	Dual 80Gal,Aluminum
AIR-STB	HTD Moisture Ejector all tanks
ELECTRICAL-STB	Battery,Lead Acid 24V,Qty 4
ELECTRICAL-STB	Jump Start for Battery Cables
ELECTRICAL-STB	Keyless Ignition (Standard)
ELECTRICAL-STB	Display, LCD (Standard)
ELECTRICAL-STB	25Amp Auto,Outside of Batt Box
ELECTRICAL-STB	Camera, Backup, Wireless
LIGHTING-STB	Hella(LED),Regular, Std Range
LIGHTING-STB	Hella(LED),Regular, Std range
LIGHTING-STB	Strobe,Whelen,L40(QTY2)(Amber)
WHEELS/TIRES-STB	*Standard Wheel/Tire Items*
WHEELS/TIRES-STB	445/65R22.5 G296MSA (Goodyear)
WHEELS/TIRES-STB	445/65R22.5 G296MSA (Goodyear)
PAINT-STB	Wheels Painted Black
PAINT-STB	Special Paint-See Paint Sketch



April 4, 2023

Fargo Airport Authority  
Hector International Airport  
Fargo, ND

Dear Airport Authority Members,

This letter is to request consideration for an extension of our lease on the Airport Gift shops. We currently have the lease on the shops on the secure and public areas until October 2024. However, with the upcoming remodel/terminal expansion, we have been involved in the planning process/communications which will extend beyond the current lease term.

We would like to continue to maintain a presence on the public and secure side as the planning and expansion move forward. We have been able to expand our operations and offerings over the past 20 years, including adding a kiosk on the secure side, adding vending machines (on secure and public areas) and recently upgrading the vending machines with credit card readers. We have also developed a website and ability to see a portion of our inventory on the site.

Our current breakdown of sales includes forty percent on the public and sixty percent on the secure side. While we are excited to be able to expand the operations on the secure area, we would also be in favor of maintaining a presence on the public side. We have found community members shop the store, even when not traveling.

Thank you for your support in the past. Hoping to maintain this partnership over the next lease term.

Sincerely,

Kevin and Sheryll Clapp

**2023 AMENDMENT TO  
LEASE AGREEMENT  
(Food and Beverage Services)**

This 2023 Amendment to Lease Agreement (the “2023 Amendment”) is made effective April \_\_, 2023 (the “Effective Date”), by and between **MUNICIPAL AIRPORT AUTHORITY OF THE CITY OF FARGO, NORTH DAKOTA**, a public body (“Lessor” or “Owner”), and **SKY DINE, INC., f/k/a HUNGRY’S RESTAURANT, INC.**, a South Dakota corporation (“Lessee” or “Tenant”).

**RECITALS:**

- A. Lessor and Lessee previously entered into a Lease Agreement, dated December 30, 2010, for food and beverage services in the passenger terminal at Fargo’s Hector International Airport.
- B. The Lease Agreement, dated December 30, 2010, was amended by the parties, pursuant to the terms and conditions of an Amendment to Lease Agreement, dated July 12, 2011.
- C. The Lease Agreement, dated December 30, 2010, and the Amendment to Lease Agreement, dated July 12, 2011, was extended and further amended pursuant to terms of an Extension and Modification of Lease Agreement, dated November 18, 2015.
- D. The Lease Agreement, dated December 30, 2010, the Amendment to Lease Agreement, dated July 12, 2011, and the Extension and Modification of Lease Agreement, dated November 18, 2015, are collectively referred to herein as the “Lease Agreement”.
- E. The FAA requires certain ACDBE (Concessionaire language to be added into the Lease Agreement between the parties, as it relates to Lessee’s food and beverage service at the Airport, which said language has been expressly set forth below.
- F. Lessor and Lessee desire to further amend and extend the Lease Agreement, pursuant to the terms and conditions of this 2023 Amendment.

**AMENDED TERMS:**

- 1. Amended Term. The term of the Lease Agreement is hereby extended through December 31, 2029 (the “Lease Termination Date”).
- 2. Construction and Terminal Expansion. Lessee acknowledges Lessor intends to embark upon a construction project for the expansion and renovation of the passenger terminal at the Airport (the “Construction Project”). With respect to the Construction Project, Lessor and Lessee agree as follows:

- 2.1. Lessee is currently operating the following kitchen, restaurant, bar/lounge, deli, and coffee kiosk operations under the Lease Agreement (the "Current Premises"):

<u>General Location</u>	<u>Operations</u>
Pre-Security	Restaurant, and Bar/Lounge
Post-Security	Grab-N-Go Deli with a Bar/Lounge
Post-Security	Coffee Kiosk

- 2.2. Lessee will upon completion of the Construction Project operate the following kitchen, restaurant, bar/lounge, deli, and coffee kiosk operations under the Lease Agreement and the 2023 Amendment, which locations will be different than the Current Premises (the "New Premises"):

<u>General Location</u>	<u>Operations</u>
Pre-Security	Kitchen and Food Preparation Area, Bar/Lounge, and Grab-N-GO Deli
Post-Security	Bar/Lounge, and Coffee Kiosk
Post Security	Franchised Restaurant, and Bar/Lounge

Note the specific operations for each location are to be determined by Lessor and Lessee at a later date.

- 2.3. Lessor and Lessee will cooperate in good faith in an attempt to avoid Lessee having to be moved to temporary premises during the completion of the work for the Construction Project. In the event Lessee's operations need to be moved to temporary premises, the temporary premises will be comparable in size and utility for the permitted uses hereunder. Lessor will provide Lessee no less than thirty (30) days' prior written notice of the relocation, except if earlier relocation is required to comply with the regulations or directives of the Transportation Security Administration or Federal Aviation Administration. Lessor will not otherwise be liable or responsible for any inconvenience or loss by Lessee of revenue resulting from the relocation provided Lessor takes all commercially reasonable efforts to prevent or minimize such inconvenience or loss. Lessor will provide unrestricted access to the Current Premises and any temporary premises for Lessee and the public, except as otherwise restricted by the Transportation Security Administration or Federal Aviation Administration.

- 2.4. Lessor and Lessee will meet and confer on the location, use, and design of the New Premises. Lessee will provide, without charge to Lessor and Lessor's construction committees, architects, engineers, and contractors consultation and layout recommendations for the New Premises. Lessor will be responsible for all work and construction costs for the New Premises (the "Lessor's Build Out-Costs"), except Lessee will provide all branded/franchisor equipment, branded signage, and other specialized equipment not applicable to non-branded food service operations (the "Lessee's Specialized Equipment"). Lessor's Build Out Costs will include



completion of the New Premises and all utilities required to hook up and operate Lessee's Specialized Equipment in a "plug and play" basis.

- 2.5. Currently, under the Lease Agreement, Lessee pays Lessor on a monthly basis a rental or concession fee of ten percent (10%) of the gross receipts from the sale of food and fourteen percent (14%) of the gross receipts from the sale of alcoholic beverages. Lessor and Lessee recognize the gross receipts will likely decline during completion of the work for the Construction Project. If gross receipts from the sale of food and alcohol, on a combined basis, are 65% or less than the gross receipts for the same month in the most recent twelve (12) month period prior to the commencement of construction, then the rental or concession fee will be eight percent (8%) of the gross sales for food and alcoholic beverages for that month. If gross receipts from the sale of food and alcohol, on a combined basis, are greater than 65% than the gross receipts for the same month in the most recent twelve (12) month period prior to the commencement of construction, then the rental or concession fee will be ten percent (10%) for food and fourteen percent (14%) for alcoholic beverages for that month. The pre-construction period will be the twelve (12) month period ending on the last day of the month preceding the commencement of the work for the Construction Project (the "Pre-Construction Period"). The date of commencement of the work for the construction project, and the twelve (12) month period for measuring pre-construction gross receipts will be set forth in the form of Exhibit C – Construction Commencement Date attached to this 2023 Amendment when the work of the Construction Project has commenced. The provisions of this Section 2.5 will remain in effect until the first day of the following month in which Lessor achieves Substantial Completion of the entire Construction Project (the "Construction Conclusion Date"). Substantial Completion of the Construction Project will be the stage in the progress of the work when the work is sufficiently complete in accordance with the contract documents between Lessor and its general contractor so Lessor can occupy or utilize the work for its intended purpose. Upon the achievement of Substantial Completion, Lessor and Lessee will complete and execute Exhibit D – Substantial Completion Date/Construction Completion Date. For clarification purposes, the following examples are provided:

Assumptions: The Construction Commencement Date is April 15, 2024. The Substantial Completion Date is December 15, 2025. The Pre-Construction Period is April 1, 2023, through March 31, 2024. The Construction Conclusion Date is January 1, 2026.

Example One: Gross receipts for the month of December 2023 were \$100.00. Gross receipts for the month of December 2024 were \$75.00. The rental or concession fee for the month of December 2024 will be ten percent (10%) of the gross receipts for food and fourteen percent (14%) of the gross receipts for alcoholic beverages.

Example Two: Gross receipts for the month of December 2023 were \$100.00. Gross receipts for the month of December 2024 were \$65.00. The rental or

concession fee for the month of December 2024 will be eight percent (8%) of the gross receipts for food and alcoholic beverages.

Example Three: Gross receipts for the month of June 2023 were \$100.00. Gross receipts for the month of June 2025 were \$75.00. The rental or concession fee for the month of June 2025 will be ten percent (10%) of the gross receipts for food and fourteen percent (14%) of the gross receipts for alcoholic beverages.

Example Four: Gross receipts for the month of June 2023 were \$100.00. Gross receipts for the month of June 2025 were \$65.00. The rental or concession fee for the month of June 2025 will be ten percent (10%) of the gross receipts for food and alcoholic beverages.

- 2.6. If Lessor has paid all of Lessor's Build-Out Costs, then as of the Construction Conclusion Date through the Lease Termination Date, Lessee will pay to Lessor on a monthly basis a rental or concession fee of twelve percent (12%) of the gross receipts from the sale of food and fifteen percent (15%) of the gross receipts from the sale of alcoholic beverages. If Lessor has not paid all of Lessor's Build-Out Costs, and Lessee has paid a portion of Lessor's Build-Out Costs, then Lessee will pay Lessor on a monthly basis a rental or concession fee of ten percent (10%) of the gross receipts from the sale of food and fourteen percent (14%) of the gross receipts from the sale of alcoholic beverages.
3. The termination rights of both parties as set forth in Section 3 of the Amendment to Lease Agreement, dated July 12, 2022, are null and void.
4. Airport Concession Disadvantaged Business Enterprise Program (ACDBE):
  - (a) MAA Concession Agreements are subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR, Part 23 related to the airport concession disadvantaged business enterprise (ACDBE) program. The Lessee agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease, or other agreement covered by 49 CFR Part 23. Lessee agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR Part 23, that it enters for operations at the Airport and cause those businesses to similarly include the statement in further agreements.
  - (b) Lessee is not an Airport Concession Disadvantaged Business Enterprise as defined in 49 CFR Part 23, Section 23.89. In the event Lessee does not or no longer qualifies as an ACDBE pursuant to federal regulations and MAA's ACDBE program, Lessee agrees that it will make a good faith effort to purchase services, goods or products from ACDBEs which will equal or exceed MAA's designated Airport Concessions Disadvantaged Business Enterprise Program goal for airport concessions for each year of the agreement.

- (c) Each year Lessee no later than February 1<sup>st</sup> shall provide to MAA the following annual ACDBE information: the name and address of each certified ACDBE with which it has done business during the past federal fiscal year, a description of the nature of the services performed by and/or items purchased from each firm names, and the total amount spent with each firm named.
5. The parties covenant and agree, except as expressly amended or modified in this 2023 Amendment, all terms, covenants, and conditions of the Lease Agreement remain in full force and effect.

*(SIGNATURE PAGE FOLLOWS)*



LESSOR:  
THE MUNICIPAL AIRPORT AUTHORITY OF THE  
CITY OF FARGO, NORTH DAKOTA,  
a public body

By: \_\_\_\_\_  
John G. Cosgriff, Chair

By: \_\_\_\_\_  
Shawn A. Dobberstein, A. A. E., Executive Director

LESSEE:  
SKY DINE, INC.

By: \_\_\_\_\_  
Dustin Sejnoha, Vice President

**Exhibit C**  
**Construction Commencement Date**

This Exhibit C – Construction Commencement Date is an attachment to a 2023 Amendment to Lease Agreement, dated April \_\_, 2023 (the “2023 Amendment”).

1. Pursuant to Section 2.5 of the 2023 Amendment, Lessor and Lessee have identified the Construction Commencement Date for Lessor’s Construction Project. The Construction Commencement Date is \_\_, 202\_\_.
2. Pursuant to Section 2.5 of the 2023 Amendment, Lessor and Lessee have identified the twelve (12) month period prior to the Construction Commencement Date for measuring gross receipts. The twelve-month period begins on \_\_ 1<sup>st</sup>, 202\_\_, and ends on \_\_, 202\_\_.

Dated \_\_, 202\_\_.

LESSOR:  
THE MUNICIPAL AIRPORT AUTHORITY OF THE  
CITY OF FARGO, NORTH DAKOTA,  
a public body

By: \_\_\_\_\_  
John G. Cosgriff, Chair

By: \_\_\_\_\_  
Shawn A. Dobberstein, A.A.E., Executive Director

LESSEE:  
SKY DINE, INC.

By: \_\_\_\_\_  
Dustin Sejnoha, Vice President

**Exhibit D**  
**Substantial Completion Date/Construction Conclusion Date**

This Exhibit D – Substantial Completion Date/Construction Conclusion Date is an attachment to a 2023 Amendment to Lease Agreement, dated April \_\_, 2023 (the “2023 Amendment”).

1. Pursuant to Section 2.5 of the 2023 Amendment, Lessor and Lessee have identified the Substantial Completion Date for Lessor’s Construction Project. The Substantial Completion Date is \_\_\_\_\_, 202\_\_.
2. Pursuant to Section 2.5 of the 2023 Amendment, Lessor and Lessee have identified the Construction Conclusion Date. The Construction Conclusion Date is \_\_\_\_\_, 202\_\_ (i.e. the first day of the month following the Substantial Completion of Lessor’s Construction Project).

Dated \_\_\_\_\_, 202\_\_.

LESSOR:  
THE MUNICIPAL AIRPORT AUTHORITY OF THE  
CITY OF FARGO, NORTH DAKOTA,  
a public body

By: \_\_\_\_\_  
John G. Cosgriff, Chair

By: \_\_\_\_\_  
Shawn A. Dobberstein, A.A.E., Executive Director

LESSEE:  
SKY DINE, INC.

By: \_\_\_\_\_  
Dustin Sejnoha, Vice President



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO PASSENGER FACILITY CHARGES  
AND INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH *PASSENGER FACILITY CHARGE GUIDE FOR PUBLIC AGENCIES***

Board of Commissioners  
Municipal Airport Authority of the City of Fargo, ND  
Fargo, North Dakota

**Report on Compliance for Passenger Facility Charges Program**

***Opinion on Passenger Facility Charges Program***

We have audited the compliance of the Municipal Airport Authority of the City of Fargo, ND (the "Authority"), with the types of compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies* issued by the Federal Aviation Administration (the "Guide") for its passenger facility charge program for the year ended December 31, 2022.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect to the passenger facility charge program for the year ended December 31, 2022.

***Basis for Opinion on Passenger Facility Charges Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Guide. Our responsibilities under those standards and the Guide are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the Passenger Facility Charges Program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

**Responsibilities of Management for Compliance**

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to its passenger facility charge program.



### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Guide, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of the passenger facility program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of the passenger facility program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of the passenger facility program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *Passenger Facility Charge Audit Guide for Public Agencies* issued by the Federal Aviation Administration (the "Guide"). Accordingly, this report is not suitable for any other purpose.

This report is intended solely for the information of the Board of Commissioners, management, and the Department of Transportation and is not intended to be and should not be used by anyone other than these specified parties.



**BRADY, MARTZ & ASSOCIATES, P.C.**  
**GRAND FORKS, NORTH DAKOTA**

March 31, 2023

**MUNICIPAL AIRPORT AUTHORITY OF THE CITY OF FARGO, ND**  
**SCHEDULE OF PASSENGER FACILITY CHARGES AND RELATED EXPENDITURES**  
**FOR THE YEAR ENDED AND EACH QUARTER FROM**  
**JANUARY 1, 2022 THROUGH DECEMBER 31, 2022**

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
BALANCE, JANUARY 1, 2022	\$ -	\$ -	\$ -	\$ -	\$ -
PASSENGER FACILITY CHARGES	621,589	480,935	466,397	336,509	1,905,429
DISBURSEMENTS	<u>(621,589)</u>	<u>(480,935)</u>	<u>(466,397)</u>	<u>(336,509)</u>	<u>(1,905,429)</u>
BALANCE, DECEMBER 31, 2022	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Passenger Facility Charges are presented above on a cash basis.



**MUNICIPAL AIRPORT AUTHORITY OF THE CITY OF FARGO, ND**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS –**  
**SCHEDULE OF PASSENGER FACILITY CHARGE PROGRAM**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**I. Summary of Auditor's Results**

- i) An unmodified report was issued on the December 31, 2022 financial statements of the Municipal Airport Authority of the City of Fargo, ND (the "Authority").
  - ii) No non-compliance, which is material to the financial statements, was disclosed by the audit.
  - iii) An unmodified opinion was issued on compliance for the passenger facility charge program.
- II. There were two findings related to the financial statements, which are required to be reported in accordance with generally accepted *Government Auditing Standards*, shown as 2022-001 and 2022-002 on pages 54 and 55 of the Authority's audited financial statements for the year ended December 31, 2022.
- III. There were no findings related to the *Passenger Facility Charge Audit Guide for Public Agencies*, which are required to be reported.

**MUNICIPAL AIRPORT AUTHORITY OF THE CITY OF FARGO, ND  
FARGO, NORTH DAKOTA**

**MANAGEMENT REPORT**

**DECEMBER 31, 2022**

## **AUDIT COMMITTEE LETTER**

March 31, 2023

To the Board Members of  
Municipal Airport Authority of the City of Fargo, ND  
Fargo, North Dakota

We have audited the financial statements of the Municipal Airport Authority of the City of Fargo, ND, Fargo, North Dakota (the "Authority") for the year ended December 31, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the *Passenger Facility Charge Audit Guide*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 22, 2022. Professional standards also require that we communicate to you the following information related to our audit.

## Significant Audit Matters

### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Authority are described in Note 1 to the financial statements. As described in Note 1, the Authority changed accounting policies related to leases by adopting GASB Statement No. 87, *Leases*, during the current year. We noted no transactions entered into by the Authority during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Authority's financial statements were:

Management's estimates include assumptions used in determining the net pension liability for its NDPERS Main System and Law Enforcement System cost sharing defined benefit plans. We evaluated the key factors and assumptions used to determine future liabilities for defined benefit plans in determining that they are reasonable in relation to the financial statements taken as a whole.



Management's estimates include assumptions used in determining the net OPEB liability for its NDPERS OPEB cost sharing defined benefit plans. We evaluated the key factors and assumptions used to determine future liabilities for defined benefit plans in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. A schedule of adjustments detected as a result of our audit procedures is attached.

#### *Disagreements with Management*

For purposes of this letter, a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

#### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated March 31, 2023.

#### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

#### *Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

### Other Matters

We applied certain limited procedures to the management's discussion and analysis, schedules of the Authority's contributions to pension and OPEB plans, schedules of the Authority's share of net pension and OPEB liabilities, and notes, which were required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the schedule of expenditures of federal awards, which accompany the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We were not engaged to report on the listing of board members, which accompany the financial statements but are not RSI. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

### Restriction on Use

This information is intended solely for the information and use of the Board of Commissioners and management of the Authority and is not intended to be, and should not be, used by anyone other than these specified parties.



**BRADY, MARTZ & ASSOCIATES, P.C.**  
**GRAND FORKS, NORTH DAKOTA**

March 31, 2023

Client: 14327 - Fargo Airport Authority  
Engagement: AUD - Municipal Airport Authority of the City of Fargo, ND  
Period Ending: 12/31/2022  
Trial Balance: 2400.00 - Government Fund Trial Balance  
Workpaper: 2201.00 - Adjusting Journal Entries  
Fund Level: Fund Subtype  
Index: PROJECT

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries</b>				
Fund: 000	Not Specified			
<b>Adjusting Journal Entries JE # 1001</b>				
To adjust property and CIP accounts to actual				
000-0000-164.10-00	Machinery & Equipment / Machinery & Equipment		451,939.00	
000-0000-165.10-00	Construction in Progress / Construction in Progress			451,939.00
<b>Total</b>			<b>451,939.00</b>	<b>451,939.00</b>
Fund: 000	Adjusting Journal Entries		<b>451,939.00</b>	<b>451,939.00</b>
<b>Fund: 561 Municipal Airport</b>				
<b>Adjusting Journal Entries JE # 1001</b>				
To adjust property and CIP accounts to actual				
561-7004-493.75-40	Depreciation / Depreciation		26,363.03	
561-9595-950.79-99	Contra Expense		77,203.20	
561-0000-164.20-00	Machinery & Equipment / Accum Depr - M & E			26,363.03
561-0000-165.10-00	Construction in Progress / Construction in Progress			77,203.20
<b>Total</b>			<b>103,566.23</b>	<b>103,566.23</b>
<b>Adjusting Journal Entries JE # 1002</b>				
Record Cares Act Draw #20 that was not included in accounts receivable and revenue				
561-0000-126.10-00	Intergovernmental A/R / Intergovernmental A/R		205,823.83	
561-7004-331.11-90	Operating - Direct Assist / CARES Funding - Airport			205,823.83
<b>Total</b>			<b>205,823.83</b>	<b>205,823.83</b>
<b>Adjusting Journal Entries JE # 1003</b>				
To record the GASB 87 lease implementation				
BMA-CashARClear	Cash/AR Clearing Account		1,204,878.00	
BMA-LeaseIntRec	Interest Receivable - Leases		130,997.58	
BMA-LeaseLTRec	Long-term Lease Receivable		6,298,720.74	
BMA-LeaseSTRec	Short-term Lease Receivable		1,039,380.68	
BMA-LeaseDefIn	Deferred Inflows - Leases			7,282,017.99
BMA-LeaseIntRev	Interest Revenue - Leases			219,368.51
BMA-LeaseRevBldg	Lease Revenue - Building			469,787.40
BMA-LeaseRevGround	Lease Revenue - Ground Lease			358,868.10
BMA-LeaseRevLand	Lease Revenue - Land			242,415.00
BMA-LeaseRevOffice	Lease Revenue - Office Space			101,520.00
<b>Total</b>			<b>8,673,977.00</b>	<b>8,673,977.00</b>
<b>Adjusting Journal Entries JE # 1004</b>				
To adjust for employer contributions to NDPERS pension and OPEB plans subsequent to their respective measurement dates (6/30/2022).				
561-0000-180.20-00	Deferred Outflow / NDPERS Pension		48,927.00	
561-0000-180.30-00	Deferred Outflow / NDPERS OPEB		7,408.00	
561-0000-180.40-00	Deferred Outflow / NDPERS Law Pension		29,558.00	
561-0000-236.20-00	Net Pension Liability / NDPERS Pension			48,927.00
561-0000-236.40-00	Net Pension Liability / NDPERS Law Pension			29,558.00
561-0000-239.30-00	Net OPEB Liability / NDPERS OPEB			7,408.00
<b>Total</b>			<b>85,893.00</b>	<b>85,893.00</b>
<b>Adjusting Journal Entries JE # 1050</b>				
PBC - AJE #234 from ProResources.				
561-0000-203.10-00	Payables / Compensated absences		1,479.57	
561-7004-493.11-00	Public Airport / Full Time Staff			728.08
561-7005-493.11-00	Full-Time Staff			751.49
<b>Total</b>			<b>1,479.57</b>	<b>1,479.57</b>
<b>Adjusting Journal Entries JE # 1051</b>				
PBC - AJE's #221-233 from ProResources.				
561-7004-493.11-00	Public Airport / Full Time Staff		1,684.49	
561-7004-493.11-01	Full Time Staff / Full Time - Overtime		8,673.22	
561-7004-493.20-05	Employee Benefits / Auto Allowance		969.36	
561-7004-493.11-00	Public Airport / Full Time Staff			5,885.81
561-7004-493.11-02	Full Time Staff / Full Time Banked Sick			728.08
561-7004-493.11-02	Full Time Staff / Full Time Banked Sick			751.49
561-7004-493.14-00	Public Airport / Temporary/Seasonal			3,834.79
561-7004-493.14-01	Temporary/Seasonal / PartTime Seasonal OT			126.90
<b>Total</b>			<b>11,327.07</b>	<b>11,327.07</b>

**Adjusting Journal Entries JE # 1052**

**2305.00**

PBC - AJE #'s 85R-89R and 91R-92R from ProResources.

561-7004-493.14-00	Public Airport / Temporary/Seasonal	5,417.64	
561-7004-493.14-00	Public Airport / Temporary/Seasonal	7,802.52	
561-7004-493.14-01	Temporary/Seasonal / PartTime Seasonal OT	126.90	
561-7004-493.14-01	Temporary/Seasonal / PartTime Seasonal OT	1,150.56	
561-7004-493.11-00	Public Airport / Full Time Staff		13,220.16
561-7004-493.11-01	Full Time Staff / Full Time - Overtime		1,277.46

**Total**

<b>14,497.62</b>	<b>14,497.62</b>
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**Adjusting Journal Entries JE # 1053**

**2305.00**

PBC - AJE #111R from ProResources.

561-7004-493.11-00	Public Airport / Full Time Staff	969.36	
561-7004-493.20-05	Employee Benefits / Auto Allowance		969.36

**Total**

<b>969.36</b>	<b>969.36</b>
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**Fund: 561**

**Adjusting Journal Entries**

<b>9,097,533.68</b>	<b>9,097,533.68</b>
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**All Funds**

**Total Adjusting Journal Entries**

<b>9,549,472.68</b>	<b>9,549,472.68</b>
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**All Funds**

**All Journal Entries**

<b>9,549,472.68</b>	<b>9,549,472.68</b>
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## **MANAGEMENT LETTER**

March 31, 2023

To the Board Members of  
Municipal Airport Authority of the City of Fargo, ND  
Fargo, North Dakota

In planning and performing our audit of the financial statements of Municipal Airport Authority of the City of Fargo, ND (the "Authority") as of and for the year ended December 31, 2022, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, we considered Authority's internal control over financial reporting (internal control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

However, during our audit we became aware of deficiencies in internal control other than significant deficiencies and material weaknesses and matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding those matters. We previously communicated to you about the Authority's internal control in our letter dated December 31, 2022. This letter does not affect our report dated December 31, 2022, on the financial statements of the Authority.

This report is intended solely for the information and use of the Board and management and should not be used for any other purpose.

We wish to take this opportunity to thank the Board and management for the opportunity to provide these services and to extend our thanks to your personnel for their cooperation and assistance during our engagement.

If you have any questions in regard to our audit, please do not hesitate to contact us.



**BRADY, MARTZ & ASSOCIATES, P.C.**  
**GRAND FORKS, NORTH DAKOTA**

March 31, 2023

**MUNICIPAL AIRPORT AUTHORITY OF THE CITY OF FARGO, ND**  
**MANAGEMENT LETTER MEMORANDUM**  
**For the Year Ended December 31, 2022**

**1) Payroll Review Procedures**

Observation

During our review over payroll procedures, we noted one instance where an individual's pay rate was improperly applied during a payroll run, resulting in an underpayment of wages, and not detected by the Authority's internal review process.

Recommendation

We recommend the Authority evaluate its review procedures over its payroll process to prevent or detect future errors.

Management's Response

Management recognizes the deficiency and will evaluate its payroll process with our PEO Pro Resources with intentions to avoid similar instances in the future.

**2) Federal Financial Reporting**

Observation

During our testing of the Airport Improvement Program, we noted that the quarterly Federal Financial Reports (SF-425) were not being completed on a cumulative basis for grant totals.

Recommendation

We recommend the Authority review the Federal Aviation Administration's reporting requirements and instructions to ensure grant financial information is being properly reported on SF-425 forms.

Management's Response

Management has communicated and reviewed with its local FAA representative and will implement the recommendation from a cumulative quarterly basis to cumulative grant totals on the annual or final SF-425 grant report.