

**STATE OF MINNESOTA
STATE AIRPORTS FUND
GRANT AGREEMENT**

This agreement is between the State of Minnesota, acting through its Commissioner of Transportation ("State"), and The City of Marshall, 344 West Main Street Marshall, MN 56258-1313 ("Grantee").

RECITALS

1. Minnesota Statutes Chapter 360 authorizes State to provide financial assistance to eligible airport sponsors for the acquisition, construction, improvement, marketing, maintenance, or operation of airports and other air navigation facilities.
2. Grantee owns, operates, controls, or desires to own an airport ("Airport") in the state system, and Grantee desires financial assistance from the State for an airport improvement project ("Project").
3. Grantee represents that it is duly qualified and agrees to perform all services described in this agreement to the satisfaction of the State. Pursuant to [Minn.Stat.§16B.98](#), Subd.1, Grantee agrees to minimize administrative costs as a condition of this agreement.

AGREEMENT TERMS

1 Term of Agreement, Survival of Terms, and Incorporation of Exhibits

- 1.1 **Effective Date.** This agreement will be effective on the date the State obtains all required signatures under [Minn. Stat.§16B.98](#), Subd. 5, whichever is later. As required by [Minn.Stat.§16B.98](#) Subd. 7, no payments will be made to Grantee until this agreement is fully executed. Grantee must not begin work under this agreement until this agreement is fully executed and Grantee has been notified by the State's Authorized Representative to begin the work.
- 1.2 **Expiration Date.** This agreement will expire on December 31, 2028, or when all obligations have been satisfactorily fulfilled, whichever occurs first.
- 1.3 **Survival of Terms.** All clauses which impose obligations continuing in their nature and which must survive in order to give effect to their meaning will survive the expiration or termination of this agreement, including, without limitation, the following clauses: 8. Liability; 9. State Audits; 10. Government Data Practices and Intellectual Property; 11. Workers Compensation; 12. Publicity and Endorsement; 13. Governing Law, Jurisdiction, and Venue; and 15 Data Disclosure.
- 1.4 **Plans, Specifications, Descriptions.** Grantee has provided the State with the plans, specifications, and a detailed description of the Project **A4201-108**, which are on file with the State's Office of Aeronautics and are incorporated into this Agreement by reference.
- 1.5 **Exhibits.** Exhibit "A" - Grant Request Letter, Exhibit "B": Credit Application, and Exhibit "C": Cost Split are attached and incorporated into this Agreement.

2 Grantee's Duties

- 2.1 Grantee will complete the Project in accordance with the plans, specifications, and detailed description of the Project, which are on file with the State's Office of Aeronautics. Any changes to the plans or specifications of the Project after the date of this Agreement will be valid only if made by written change order signed by the Grantee and the State. Subject to the availability of funds, the State may prepare an amendment to this Agreement to reimburse the Grantee for the allowable costs of qualifying change orders.
- 2.2 If the Project involves construction, Grantee will designate a registered engineer to oversee the Project work. If, with the State's approval, the Grantee elects not to have such services performed by a registered engineer, then the Grantee will designate another responsible person to oversee such work.
- 2.3 Grantee will notify State's Authorized Representative in advance of any meetings taking place relating to the Project.
- 2.4 Grantee will comply with all required grants management policies and procedures set forth through [Minn.Stat.§16B.97](#), Subd. 4 (a) (1).
- 2.5 **Asset Monitoring.** If Grantee uses funds obtained by this agreement to acquire a capital asset, the Grantee is required to use that asset for a public aeronautical purpose for the normal useful life of the asset. Grantee may not sell or change the purpose of use for the capital asset(s) obtained with grant funds under this agreement without the prior written consent of the State and an agreement executed and approved by the same parties who executed

and approved this agreement, or their successors in office.

- 2.6 **Airport Operations, Maintenance, and Conveyance.** Pursuant to Minnesota Statutes Section 360.305, subdivision 4 (d) (1), the Grantee will operate the Airport as a licensed, municipally-owned public airport at all times of the year for a period of **20 years** from the date the Grantee receives final reimbursement under this Agreement. The Airport must be maintained in a safe, serviceable manner for public aeronautical purposes only. Without prior written approval from the State, Grantee will not transfer, convey, encumber, assign, or abandon its interest in the airport or in any real or personal property that is purchased or improved with State funds. If the State approves such a transfer or change in use, the Grantee must comply with such conditions and restrictions as the State may place on such approval. The obligations imposed by this clause survive the expiration or termination of this Agreement.

3 Time

- 3.1 Grantee must comply with all the time requirements described in this agreement. In the performance of this grant agreement, time is of the essence.

4 Cost and Payment

- 4.1 **Cost Participation.** Costs for the Project will be proportionate and allocated as follows:

<u>Item Description</u>	<u>Federal Share</u>	<u>State Share</u>	<u>Grantee Share</u>
SRE Building Construction AIP	90.0%	0%	10.0%
FAA AIP - Eligible	(\$744,249.00)		(\$82,694.00)
FAA AIP – In-Eligible	0%	70%	30.0%
		(\$1,070,031.00)	(\$458,585.00)

Federal Committed:	<u>\$ 744,249.00</u>
State:	<u>\$ 1,070,031.00</u>
Grantee:	<u>\$ 541,279.00</u>

The federal multiyear amount is an estimate only. These funds are not committed and are only available after being made so by the U.S. Government. Federal funds for the Project will be received and disbursed by the State. In the event federal reimbursement becomes available or is increased for the Project, the State will be entitled to recover from such federal funds an amount not to exceed the state funds advanced for this Project. No more than 95% of the amount due under this Agreement will be paid by the State until the State determines that the Grantee has complied with all terms of this Agreement and furnished all necessary records.

- 4.2 **Travel Expenses.** Blank

- 4.3 **Sufficiency of Funds.** Pursuant to Minnesota Rules 8800.2500, the Grantee certifies that (1) it presently has available sufficient unencumbered funds to pay its share of the Project; (2) the Project will be completed without undue delay; and (3) the Grantee has the legal authority to engage in the Project as proposed.

- 4.4 **Total Obligation.** The total obligation of the State for all compensation and reimbursements to Grantee under this agreement will not exceed \$1,070,031.00.

4.5 Payment

- 4.5.1 **Invoices.** Grantee will submit invoices for payment by **Credit Application via email**. Exhibit “B”, which is attached and incorporated into this agreement, is the form Grantee will use to submit invoices. The State’s Authorized Representative, as named in this agreement, will review each invoice against the approved grant budget and grant expenditures to-date before approving payment. The State will promptly pay Grantee after Grantee presents an itemized invoice for the services actually performed and the State’s Authorized Representative accepts the invoiced services. Invoices will be submitted timely and according to the following schedule: Monthly, or as work completion dictates.

- 4.5.2 **All Invoices Subject to Audit.** All invoices are subject to audit, at State’s discretion.

- 4.5.3 **State’s Payment Requirements.** State will promptly pay all valid obligations under this agreement as required by Minnesota Statutes §16A.124. State will make undisputed payments no later than 30 days after receiving Grantee’s invoices for services performed. If an invoice is incorrect, defective or otherwise improper, State will notify Grantee within ten days of discovering the error. After State receives the

corrected invoice, State will pay Grantee within 30 days of receipt of such invoice.

4.5.4 Grantee Payment Requirements. Grantee must pay all contractors under this agreement promptly. Grantee will make undisputed payments no later than 30 days after receiving an invoice. If an invoice is incorrect, defective, or otherwise improper, Grantee will notify the contractor within ten days of discovering the error. After Grantee receives the corrected invoice, Grantee will pay the contractor within 30 days of receipt of such invoice.

4.5.5 Grant Monitoring Visit and Financial Reconciliation. During the period of performance, the State will make at least annual monitoring visits and conduct annual financial reconciliations of Grantee's expenditures.

4.5.5.1 The State's Authorized Representative will notify Grantee's Authorized Representative where and when any monitoring visit and financial reconciliation will take place, which State employees and/or contractors will participate, and which Grantee staff members should be present. Grantee will be provided notice prior to any monitoring visit or financial reconciliation.

4.5.5.2 Following a monitoring visit or financial reconciliation, Grantee will take timely and appropriate action on all deficiencies identified by State.

4.5.5.3 At least one monitoring visit and one financial reconciliation must be completed prior to final payment being made to Grantee.

4.5.6 Closeout. The State will determine, at its sole discretion, whether a closeout audit is required prior to final payment approval. If a closeout audit is required, final payment will be held until the audit has been completed. Monitoring of any capital assets acquired with grant funds will continue following grant closeout.

4.5.7 Closeout Deliverables. At the close of the Project, the Grantee must provide the following deliverables to the State before the final payment due under this Agreement will be released by the State: (1) Electronic files of construction plans as a PDF and in a MicroStation compatible format; and (2) Electronic files of as-builts as a PDF and in a MicroStation compatible format. (3) Electronic files of planning documents (Airport Layout Plans – ALP) and Airport Zoning as a PDF and in a MicroStation compatible format and in GIS.

4.6 Contracting and Bidding Requirements. Prior to publication, Grantee will submit to State all solicitations for work to be funded by this Agreement. Prior to execution, Grantee will submit to State all contracts and subcontracts funded by this agreement between Grantee and third parties. State's Authorized Representative has the sole right to approve, disapprove, or modify any solicitation, contract, or subcontract submitted by Grantee. All contracts and subcontracts between Grantee and third parties must contain all applicable provisions of this Agreement. State's Authorized Representative will respond to a solicitation, contract, or subcontract submitted by Grantee within ten business days.

5 Conditions of Payment

All services provided by Grantee under this agreement must be performed to the State's satisfaction, as determined at the sole discretion of the State's Authorized Representative and in accordance with all applicable federal, state, and local laws, ordinances, rules, and regulations. The Grantee will not receive payment for work found by the State to be unsatisfactory or performed in violation of federal, state, or local law. In addition, Grantee will not receive payment for Airport's failure to pass periodic inspections by a representative of the State's Office of Aeronautics.

6 Authorized Representatives

6.1 The State's Authorized Representative is:

Luke Bourassa, South Region Airports Engineer; (luke.bourassa@state.mn.us) (651)508-0448 and/or **Brian Conklin**, Regional Airport Specialist Sr.; (brian.conklin@state.mn.us) (651)252-7658, or their successor. State's Authorized Representative has the responsibility to monitor Grantee's performance and the authority to accept the services provided under this agreement. If the services are satisfactory, the State's Authorized Representative will certify acceptance on each invoice submitted for payment.

6.2 Grantee's Authorized Representative is:

Jason Anderson; Director of Public Works/Airport Manager

Phone (507) 537-6773 jason.anderson@ci.marshall.mn.us

City Marshall

344 West Main Street

Marshall, MN 56258-1313

Or their successor.

If the Grantee's Authorized Representative changes at any time during this agreement, Grantee will immediately notify the State.

7 Assignment Amendments, Waiver, and Grant Agreement Complete

- 7.1 **Assignment.** The Grantee may neither assign nor transfer any rights or obligations under this agreement without the prior written consent of the State and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this agreement, or their successors in office.
- 7.2 **Amendments.** Any amendments to this agreement must be in writing and will not be effective until it has been executed and approved by the same parties who executed and approved the original agreement, or their successors in office. Notwithstanding the foregoing, when FAA issues a Letter Amendment on a federal grant agreement that results in an increase in federal funds beyond the total amount in this grant agreement (i.e., federal amendment), MnDOT's receipt of the Letter Amendment from FAA has the effect of amending the total amount in this grant agreement.
- 7.3 **Waiver.** If the State fails to enforce any provision of this agreement, that failure does not waive the provision or the State's right to subsequently enforce it.
- 7.4 **Grant Agreement Complete.** This grant agreement contains all negotiations and agreements between the State and Grantee. No other understanding regarding this agreement, whether written or oral, may be used to bind either party.
- 7.5 **Electronic Records and Signatures.** The parties agree to contract by electronic means. This includes using electronic signatures and converting original documents to electronic records.
- 7.6 **Certification.** By signing this Agreement, the Grantee certifies that it is not suspended or debarred from receiving federal or state awards.

8 Liability

In the performance of this agreement, and to the extent permitted by law, Grantee must indemnify, save, and hold the State, its agents, and employees harmless from any claims or causes of action, including attorney's fees incurred by the State, arising from the performance of this agreement by Grantee or Grantee's agents or employees. This clause will not be construed to bar any legal remedies Grantee may have for the State's failure to fulfill its obligations under this agreement.

9 State Audits

Under Minn. Stat. § 16B.98, Subd.8, the Grantee's books, records, documents, and accounting procedures and practices of Grantee, or other party relevant to this grant agreement or transaction, are subject to examination by the State and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this agreement, receipt and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later. Grantee will take timely and appropriate action on all deficiencies identified by an audit.

10 Government Data Practices and Intellectual Property Rights

- 10.1 **Government Data Practices.** Grantee and State must comply with the Minnesota Government Data Practices Act, [Minn. Stat. Ch. 13](#), as it applies to all data provided by the State under this grant agreement, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Grantee under this agreement. The civil remedies of [Minn. Stat. §13.08](#) apply to the release of the data referred to in this clause by either Grantee or the State. If Grantee receives a request to release the data referred to in this section 10.1, Grantee must immediately notify the State. The State will give Grantee instructions concerning the release of the data to the requesting party before the data is released. Grantee's response to the request shall comply with applicable law.
- 10.2 **Intellectual Property Rights.**
- 10.2.1 **Intellectual Property Rights.** State owns all rights, title and interest in all of the intellectual property rights, including copyrights, patents, trade secrets, trademarks and service marks in the Works and Documents created and paid for under this agreement. "Works" means all inventions, improvements, discoveries (whether or not patentable), databases, computer programs, reports, notes, studies, photographs, negatives, designs, drawings, specifications, materials, tapes and disks conceived, reduced to practice, created or originated by Grantee, its employees, agents and subcontractors, either individually or jointly with others in the performance of this agreement. Works includes Documents. "Documents" are the originals of any databases, computer programs, reports, notes, studies, photographs, negatives,

designs, drawings, specifications, materials, tapes, disks or other materials, whether in tangible or electronic forms, prepared by Grantee, its employees, agents or subcontractors, in the performance of this agreement. The Documents will be the exclusive property of State, and Grantee upon completion or cancellation of this agreement must immediately return all such Documents to State. To the extent possible, those Works eligible for copyright protection under the United States Copyright Act will be deemed to be “works made for hire.” Grantee assigns all right, title and interest it may have in the Works and the Documents to State. Grantee must, at the request of State, execute all papers and perform all other acts necessary to transfer or record the State’s ownership interest in the Works and Documents.

10.2.2 **Obligations**

10.2.2.1 **Notification.** Whenever any invention, improvement or discovery (whether or not patentable) is made or conceived for the first time or actually or constructively reduced to practice by Grantee, including its employees and subcontractors, in the performance of this agreement, Grantee will immediately give State’s Authorized Representative written notice thereof and must promptly furnish State’s Authorized Representative with complete information and/or disclosure thereon.

10.2.2.2 **Representation.** Grantee must perform all acts, and take all steps necessary to ensure that all intellectual property rights in the Works and Documents are the sole property of State and that neither Grantee nor its employees, agents or subcontractors retain any interest in and to the Works and Documents. Grantee represents and warrants that the Works and Documents do not and will not infringe upon any intellectual property rights of other persons or entities. Notwithstanding Clause 8, Grantee will indemnify; defend, to the extent permitted by the Attorney General; and hold harmless State, at Grantee’s expense, from any action or claim brought against State to the extent that it is based on a claim that all or part of the Works or Documents infringe upon the intellectual property rights of others. Grantee will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs and damages, including but not limited to, attorney fees. If such a claim or action arises, or in Grantee’s or State’s opinion is likely to arise, Grantee must, at State’s discretion, either procure for State the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing Works or Documents as necessary and appropriate to obviate the infringement claim. This remedy of State will be in addition to and not exclusive of other remedies provided by law.

11 **Workers Compensation**

The Grantee certifies that it is in compliance with [Minn. Stat. §176.181](#), Subd. 2, pertaining to workers’ compensation insurance coverage. The Grantee’s employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers’ Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State’s obligation or responsibility.

12 **Publicity and Endorsement**

12.1 **Publicity.** Any publicity regarding the subject matter of this agreement must identify the State as the sponsoring agency and must not be released without prior written approval from the State’s Authorized Representative. For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the Grantee individually or jointly with others, or any subcontractors, with respect to the program, publications, or services provided resulting from this grant agreement. All projects primarily funded by state grant appropriation must publicly credit the State of Minnesota, including on the Grantee’s website when practicable.

12.2 **Endorsement.** The Grantee must not claim that the State endorses its products or services.

13 **Governing Law, Jurisdiction, and Venue**

Minnesota law, without regard to its choice-of-law provisions, governs this agreement. Venue for all legal proceedings out of this agreement, or its breach, must be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

14 **Termination; Suspension**

14.1 **Termination.** The State or Commissioner of Administration may unilaterally terminate this agreement at any time, with or without cause, upon written notice to the Grantee. Upon termination, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed.

14.2 **Termination for Cause.** The State may immediately terminate this grant agreement if the State finds that there has been a failure to comply with the provisions of this agreement, that reasonable progress has not been made, that fraudulent or wasteful activity has occurred, that Grantee has been convicted of a criminal offense relating to a state grant agreement, or that the purposes for which the funds were granted have not been or will not be fulfilled. The State may take action to protect the interests of the State of Minnesota, including the refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed.

14.3 **Termination for Insufficient Funding.** The State may immediately terminate this agreement if:

14.3.1 It does not obtain funding from the Minnesota Legislature; or

14.3.2 If funding cannot be continued at a level sufficient to allow for the payment of the services covered here. Termination must be by written or fax notice to the Grantee. The State is not obligated to pay for any services that are provided after notice and effective date of termination. However, the Grantee will be entitled to payment, determined on a pro rata basis, for services satisfactorily performed to the extent that funds are available. The State will not be assessed any penalty if the agreement is terminated because of the decision of the Minnesota Legislature, or other funding source, not to appropriate funds. The State will provide the Grantee notice of the lack of funding within a reasonable time of the State's receiving that notice.

14.4 **Suspension.** The State may immediately suspend this agreement in the event of a total or partial government shutdown due to the failure to have an approved budget by the legal deadline. Work performed by the Grantee during a period of suspension will be deemed unauthorized and undertaken at risk of non-payment.

15 Data Disclosure

Under [Minn. Stat. § 270C.65](#), Subd. 3, and other applicable law, Grantee consents to disclosure of its social security number, federal employer tax identification number, and/or Minnesota tax identification number, already provided to the State, to federal and state tax agencies and state personnel involved in the payment of state obligations. These identification numbers may be used in the enforcement of federal and state tax laws which could result in action requiring the Grantee to file state tax returns and pay delinquent state tax liabilities, if any.

16 **Fund Use Prohibited.** The Grantee will not utilize any funds received pursuant to this Agreement to compensate, either directly or indirectly, any contractor, corporation, partnership, or business, however organized, which is disqualified or debarred from entering into or receiving a State contract. This restriction applies regardless of whether the disqualified or debarred party acts in the capacity of a general contractor, a subcontractor, or as an equipment or material supplier. This restriction does not prevent the Grantee from utilizing these funds to pay any party who might be disqualified or debarred after the Grantee's contract award on this Project. For a list of disqualified or debarred vendors, see www.mmd.admin.state.mn.us/debarredreport.asp.

17 **Discrimination Prohibited by Minnesota Statutes §181.59.** Grantee will comply with the provisions of Minnesota Statutes §181.59 which requires that every contract for or on behalf of the State of Minnesota, or any county, city, town, township, school, school district or any other district in the state, for materials, supplies or construction will contain provisions by which Contractor agrees: 1) That, in the hiring of common or skilled labor for the performance of any work under any contract, or any subcontract, no Contractor, material supplier or vendor, will, by reason of race, creed or color, discriminate against the person or persons who are citizens of the United States or resident aliens who are qualified and available to perform the work to which the employment relates; 2) That no Contractor, material supplier, or vendor, will, in any manner, discriminate against, or intimidate, or prevent the employment of any person or persons identified in clause 1 of this section, or on being hired, prevent or conspire to prevent, the person or persons from the performance of work under any contract on account of race, creed or color; 3) That a violation of this section is a misdemeanor; and 4) That this contract may be canceled or terminated by the state of Minnesota, or any county, city, town, township, school, school district or any other person authorized to grant contracts for employment, and all money due, or to become due under the contract, may be forfeited for a second or any subsequent violation of the terms or conditions of this Agreement.

18 **Limitation.** Under this Agreement, the State is only responsible for receiving and disbursing funds. Nothing in this Agreement will be construed to make the State a principal, co-principal, partner, or joint venturer with respect to the Project(s) covered herein. The State may provide technical advice and assistance as requested by the Grantee, however, the Grantee will remain responsible for providing direction to its contractors and consultants and for administering its contracts with such entities. The Grantee's consultants and contractors are not intended to be third party beneficiaries of this Agreement.

- 19 **Telecommunications Certification.** By signing this agreement, Contractor certifies that, consistent with Section 889 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. 115-232 (Aug. 13, 2018), and 2 CFR 200.216, Contractor will not use funding covered by this agreement to procure or obtain, or to extend, renew, or enter into any contract to procure or obtain, any equipment, system, or service that uses “covered telecommunications equipment or services” (as that term is defined in Section 889 of the Act) as a substantial or essential component of any system or as critical technology as part of any system. Contractor will include this certification as a flow down clause in any contract related to this agreement.
- 20 **Title VI/Non-discrimination Assurances.** Grantee agrees to comply with all applicable US DOT Standard Title VI/Non-Discrimination Assurances contained in DOT Order No. 1050.2A, and in particular Appendices A and E, which can be found at: https://edocs-public.dot.state.mn.us/edocs_public/DMResultSet/download?docId=11149035. Grantee will ensure the appendices and solicitation language within the assurances are inserted into contracts as required. State may conduct a review of the Grantee’s compliance with this provision. The Grantee must cooperate with State throughout the review process by supplying all requested information and documentation to State, making Grantee staff and officials available for meetings as requested, and correcting any areas of non-compliance as determined by State.
- 21 **Additional Provisions**
[Intentionally left blank.]

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STATE ENCUMBRANCE VERIFICATION

Individual certifies that funds have been encumbered as required by Minn. Stat. § 16A.15 and § 16C.05.

Signed: _____

Date: _____

SWIFT Contract/PO No(s). _____

GRANTEE

The Grantee certifies that the appropriate person(s) have executed the grant agreement on behalf of the Grantee as required by applicable articles, bylaws, resolutions, or ordinances.

By: _____

Title: _____

Date: _____

By: _____

Title: _____

Date: _____

DEPARTMENT OF TRANSPORTATION

By: _____
(with delegated authority)

Title: _____

Date: _____

**DEPARTMENT OF TRANSPORTATION
CONTRACT MANAGEMENT**

By: _____

Date: _____



PUBLIC WORKS DIVISION
344 WEST MAIN STREET
MARSHALL, MN 56258-1313
PHONE: 507-537-6773

February 21, 2024

Mr. Luke Bourassa
South Region Airport Development Engineer
MnDOT Office of Aeronautics
395 John Ireland Boulevard | Mail Stop 410
St. Paul, MN 55155-1800

SP A4201-108 AIP 3-27-0056-021-24
contract#: 1057831

Re: Request for Grant Agreements
Southwest Minnesota Regional Airport / Ryan Field (MML)
Snow Removal Equipment (SRE) Facility Project

Dear Mr. Bourassa:

The City of Marshall hereby requests Grant agreements for Federal and State funding for the Snow Removal Equipment (SRE) Facility project at the Southwest Minnesota Regional Airport. Total project cost is \$3,330,470.00 as shown on the attached Project Cost Summary, and as described below. Federal Airport Improvement Program (AIP) funding for fiscal year 2024 is requested in the amount of \$744,249.42 for 90% of the federally eligible building related costs. Federal Airport Infrastructure Grant (AIG) funding for fiscal year 2024 is requested in the amount of \$832,959.90 for 90% of the federally eligible site improvement costs. State funding is requested in the amount of \$1,104,610.64 for a 70% state funding share on federally ineligible portions of the project. The remainder will be funded with local funds in the amount of \$648,650.04.

It is recognized the requested state share exceeds the maximum \$1.0 million limit identified in the Airport Funding Rates letter for FY 2024, dated May 30, 2023. The City respectfully requests an exception for additional state funding beyond the \$1.0 million due to the airport's critical need for this facility. The existing SRE building is inadequate to store all the airport's snow removal equipment, has exceeded its useful life, and is in need of replacement.

On January 23, 2024, the City opened bids on the project, at which time 5 bids were received (tabulation attached). The bids received vary by 18.2% from low to high, and the low bid is 17.4% below the Engineer's Estimate. The construction bid cost associated with the Project is \$2,913,100.00. On February 13, 2024, the Marshall City Council acknowledged the apparent low bidder, Sussner Construction, and approved a resolution to award a construction contract, contingent upon the receipt of grant funding.

The City of Marshall has included \$98,000 for administration expenses as part of this request. Administrative expenses include advertising for bids, independent fee estimate services, miscellaneous expenses, and electric and gas service installations.

Thank you for your consideration. If you have any questions concerning this request, please contact me at (507) 537-6773 or jason.anderson@ci.marshall.mn.us.

Respectfully,

Director of Public Works/Airport Manager

JRA:lrk / Attachments

c: Kyle Sebesta, P.E. - FAA
Daniel Sherer, P.E. - TKDA

PROJECT COST BREAKDOWN									
SNOW REMOVAL EQUIPMENT (SRE) FACILITY SITE WORK & BUILDING CONSTRUCTION									
SOUTHWEST MINNESOTA REGIONAL AIRPORT - MARSHALL (MML)									
FEDERAL FISCAL YEAR 2024 GRANT APPLICATION									
ID	UNIT OF WORK	COSTS			FUNDING				
		TOTAL COST	AIP ELIGIBLE PERCENTAGE	AIP ELIGIBLE COST	FAA AIP 90.0%	FAA AIG (BIL) 90.0%	STATE AIP MATCH 0.0%	STATE 70.0%	SPONSOR <i>Varies</i>
1	ADMINISTRATIVE								
	Independent Fee Review	\$ 4,000.00	100.00%	\$ 4,000.00	\$ 3,600.00	\$ -	\$ -	\$ -	\$ 400.00
	City Administration	\$ 4,000.00	100.00%	\$ 4,000.00	\$ 3,600.00	\$ -	\$ -	\$ -	\$ 400.00
	Electric / Gas Service	\$ 90,000.00	100.00%	\$ 90,000.00	\$ -	\$ 81,000.00	\$ -	\$ -	\$ 9,000.00
	Subtotal Administrative	\$ 98,000.00	100.00%	\$ 98,000.00	\$ 7,200.00	\$ 81,000.00	\$ -	\$ -	\$ 9,800.00
2	ENGINEERING								
	Bidding Phase Engineering	\$ 39,170.00	100.00%	\$ 39,170.00	\$ 35,253.00	\$ -	\$ -	\$ -	\$ 3,917.00
	Construction Phase Engineering (Building)	\$ 100,389.00	33.78%	\$ 33,911.40	\$ 30,520.26	\$ -	\$ -	\$ 46,534.32	\$ 23,334.42
	Construction Phase Engineering (Site)	\$ 179,811.00	100.00%	\$ 179,811.00	\$ -	\$ 161,829.90	\$ -	\$ -	\$ 17,981.10
	Subtotal Engineering	\$ 319,370.00	79.18%	\$ 252,892.40	\$ 65,773.26	\$ 161,829.90	\$ -	\$ 46,534.32	\$ 45,232.52
3	CONSTRUCTION								
	Building Construction	\$ 2,208,000.00	33.78%	\$ 745,862.40	\$ 671,276.16	\$ -	\$ -	\$ 1,023,496.32	\$ 513,227.52
	Site Work	\$ 655,700.00	100.00%	\$ 655,700.00	\$ -	\$ 590,130.00	\$ -	\$ -	\$ 65,570.00
	Concrete Pads	\$ 8,500.00	0.00%	\$ -	\$ -	\$ -	\$ -	\$ 5,950.00	\$ 2,550.00
	Landscaping	\$ 40,900.00	0.00%	\$ -	\$ -	\$ -	\$ -	\$ 28,630.00	\$ 12,270.00
	Subtotal Construction	\$ 2,913,100.00		\$ 1,401,562.40	\$ 671,276.16	\$ 590,130.00	\$ -	\$ 1,058,076.32	\$ 593,617.52
	TOTAL COST	\$ 3,330,470.00	52.62%	\$ 1,752,454.80	\$ 744,249.42	\$ 832,959.90	\$ -	\$ 1,104,610.64	\$ 648,650.04
				<i>Project Funding Shares</i>	22.35%	25.01%	0.00%	33.17%	19.48%
				<i>Available FAA Entitlement Balance</i>	\$ 914,402.00	\$ 879,000.00			

Funding Balance \$ (170,152.58) \$ (46,040.10)

Notes:

- 1) No State AIP Match shown since state amount exceeds \$400,000 on AIP ineligible, in accordance with the Airport Funding Rates Letter for State FY 2024.
- 2) The City requests an exemption to the \$1.0M state limit on project funding, in accordance with the Airport Funding Rates Letter for State FY 2024.

BIDS OPENED: JANUARY 23, 2024
 TABULATION BY: DAS

TABULATION OF BIDS
MML AIRPORT SNOW REMOVAL EQUIPMENT (SRE) FACILITY
CITY OF MARSHALL

SOUTHWEST MINNESOTA REGIONAL AIRPORT
 TKDA PROJECT NO. 18338

ITEM NO.	DESCRIPTION	QUANTITY	ENGINEER'S ENGINEER'S ESTIMATE		SUSSNER CONSTRUCTION, LLC		BRENNAN CONSTRUCTION OF MN, INC.		APX CONSTRUCTION GROUP		TERWISSCHA CONSTRUCTION INC.		VOSS PLUMBING & HEATING VOSS CONCRETE & MASONRY	
			UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION
BASE BID														
1	MARSHALL SRE BUILDING, ALL WORK COVERED IN DIV 00-28	1 LS	2,749,495.00	2,749,495.00	2,208,000.00	2,208,000.00	\$2,156,701.53	2,156,701.53	\$2,357,000.00	2,357,000.00	\$2,493,620.00	2,493,620.00	\$2,735,000.00	2,735,000.00
2	MARSHALL SRE SITE WORK, ALL EXTERIOR WORK COVERED IN DIV 31-33	1 LS	616,850.00	616,850.00	655,700.00	655,700.00	\$657,028.13	657,028.13	\$724,000.00	724,000.00	\$641,090.00	641,090.00	\$656,000.00	656,000.00
3	6" REINF. CONCRETE PADS FOR FUEL TANK & TRASH ENCLOSURE	1 LS	7,000.00	7,000.00	8,500.00	8,500.00	\$94,900.35	94,900.35	\$17,000.00	17,000.00	\$52,290.00	52,290.00	\$4,500.00	4,500.00
BID ALT NO. 1														
4	ADD LANDSCAPING	1 LS	71,750.00	71,750.00	40,900.00	40,900.00	44,000.00	44,000.00	65,000.00	65,000.00	51,765.00	51,765.00	55,000.00	55,000.00
			BASE BID	\$3,373,345.00	\$2,872,200.00	\$2,908,630.01	\$3,098,000.00	\$3,187,000.00	\$3,395,500.00					
TOTAL (BASE BID + ALTERNATE)				\$3,445,095.00	\$2,913,100.00	\$2,952,630.01	\$3,163,000.00	\$3,238,765.00	\$3,450,500.00					

DENOTES ERROR ON THIS LINE ON EXECUTED BID PROPOSAL.

MINNESOTA DEPARTMENT OF TRANSPORTATION
OFFICE OF AERONAUTICS
395 JOHN IRELAND BOULEVARD, MS 410
ST. PAUL, MINNESOTA 55155-1800
airportdevelopment@state.mn.us

Airport Name _____

State Project No. _____

Federal Project No. _____

Mn/DOT Agreement No. _____

CREDIT APPLICATION

TO THE DIRECTOR, OFFICE OF AERONAUTICS:

Itemized statement of cash expenditures for which credit is claimed:

For period beginning _____, 20__ ; ending _____, 20__.

Warrant Number	Date Issued	Name or Description	Unit	Rate	Total Time or Quantity	Amount
Total Expenditures						

***FINAL/PARTIAL (CIRCLE ONE)**

NOTE: PLEASE SEPARATE ENGINEERING COSTS FROM OTHER COSTS.

Municipality _____

By _____

Title _____

*FOR ALL ITEMS INCLUDED IN THIS AGREEMENT

(Complete Form On Reverse Side)

STATE OF _____

COUNTY OF _____

_____, being first duly sworn, deposes and says that he/she is the _____ of the Municipality of _____, in the County of _____, State of Minnesota; that he/she has prepared the foregoing Credit Application, knows the contents thereof, that the same is a true and accurate record of disbursements made, and that the same is true of his/her own knowledge; and that this application is made by authority of the municipal council (or board) of said Municipality.

Signature

Subscribed and sworn to before me

this _____ day of _____, 20____.

NOTARY PUBLIC

My Commission Expires: _____

EXHIBIT "C"

Airport: Marshall MML
 Sponsor: City of Marshall
 UEI: EZMLAH2D5XV9
 State Project: A4201-108
 State Agreement #:
 Fed Project: 3-27-0056-21-24 AIP
 Description: SRE Building Construction AIP
 Version: 12/14/2023

		AIP/State Eligible				Funding Rates					
Construction	Description		Total	Federal	State	Federal	State	Local			
	Building Construction	AIP Eligible	33.78%	\$ 2,208,000.00	\$ 745,862.40	90%	0%	\$ 671,276.16	\$ -	\$ 74,586.24	\$ 745,862.40
	Building Construction	AIP In-Eligible (State)	66.22%	\$ 2,208,000.00	\$ 1,462,137.60	0%	70%	\$ -	\$ 1,023,496.32	\$ 438,641.28	\$ 1,462,137.60
								\$ -	\$ -	\$ -	
CONSTRUCTION SUBTOTAL				\$ 2,208,000.00	\$ 2,208,000.00			\$ 671,276.16	\$ 1,023,496.32	\$ 513,227.52	\$ 2,208,000.00
Engineering	Description		Total	Federal	State	Federal	State	Local			
	TKDA - Bidding Phase SRE Building		\$ 39,170.00	90%	0.0%	\$ 35,253.00	\$ -	\$ 3,917.00			
	TKDA - Construction & Closeout Phases	AIP Eligible	33.78%	\$ 100,389.00	\$ 33,911.40	90%	0.0%	\$ 30,520.26	\$ -	\$ 3,391.14	\$ 33,911.40
	TKDA - Construction & Closeout Phases	AIP In-Eligible	66.22%	\$ 100,389.00	\$ 66,477.60	0%	70.0%	\$ -	\$ 46,534.32	\$ 19,943.28	\$ 66,477.60
								\$ -	\$ -	\$ -	
ENGINEERING SUBTOTAL				\$ 139,559.00	\$ 100,389.00			\$ 65,773.26	\$ 46,534.32	\$ 27,251.42	\$ 139,559.00
Administration	Description		Total	Federal	State	Federal	State	Local			
	Independent Fee Estimate		\$ 4,000.00	90%	0%	\$ 3,600.00	\$ -	\$ 400.00			
	City Administration		\$ 4,000.00	90%	0%	\$ 3,600.00	\$ -	\$ 400.00			
								\$ -	\$ -	\$ -	
ADMINISTRATION SUBTOTAL				\$ 8,000.00			\$ 7,200.00	\$ -	\$ 800.00		
Total (before adjustments)				\$ 2,355,559.00			\$ 744,249.42	\$ 1,070,030.64	\$ 541,278.94		
Grant Amounts				\$ 2,355,559.00			\$ 744,249.00	\$ 1,070,031.00	\$ 541,279.00		\$ 2,355,559.00
Overall Share Percentages							31.60%	45.43%	22.98%		