

Aitkin County Board of Commissioners  
Request for County Board Action/Agenda Item Cover Sheet



To: Chairperson, Aitkin County Board of Commissioners      Date: 4-2-12

Via: Patrick Wussow, County Administrator

From: Patrick Wussow, County Administrator

Title of Item:

Aitkin Airport Agreement

Requested Meeting Date: 4-10-12      Estimated Presentation Time: \_\_\_\_\_

Presenter: Patrick Wussow, County Administrator

**Type of Action Requested** (check all that apply)

- For info only, no action requested       Approve under Consent Agenda
- For discussion only with possible future action       Adopt Ordinance Revision
- Let/Award Bid or Quote (attach copy of basic bid/quote specs or summary of complex specs, each bid/quote received & bid/quote comparison)
- Approve/adopt proposal by motion       Approve/adopt proposal by resolution (attach draft resolution)
- Authorize filling vacant staff position
- Request to schedule public hearing or sale       Other (please list) \_\_\_\_\_
- Request by member of the public to be heard
- Item should be addressed in closed session under MN Statute \_\_\_\_\_

**Fiscal Impact** (check all that apply)

- Is this item in the current approved budget? Yes \_\_\_\_\_ No \_\_\_\_\_ (attach explanation)
- What type of expenditure is this?  Operating  Capital  Other (attach explanation)
- Revenue line account # that funds this item is: \_\_\_\_\_
- Expenditure line account # for this item is: \_\_\_\_\_

**Staffing Impact** (Any yes answer requires a review by Human Resources Manager before going to the board)

- Duties of a department employee(s) may be materially affected.  Yes  No
- Applicable job description(s) may require revision.  Yes  No
- Item may impact a bargaining unit agreement or county work policy.  Yes  No
- Item may change the department's authorized staffing level.  Yes  No



**Supporting Attachment(s)**

- Memorandum Summary of Item
- Copy of applicable county policy and/or ordinance (excerpts acceptable)
- Copy of applicable state/federal statute/regulation (excerpts acceptable)
- Copy of applicable contract and/or agreement
- Original bid spec or quote request (excluding complex construction projects)
- Bids/quotes received (excluding complex construction projects, provide comparison worksheet)
- Bid/quote comparison worksheet
- Draft County Board resolution
- Plat approval check-list and supporting documents
- Copy of previous minutes related to this issue
- Other supporting document(s) (please list) Proposed new contract and copy of original contract

**Provide eleven (11) copies of supporting documentation NO LATER THAN Wednesday at Noon to make the Board's agenda for the following Tuesday. Items WILL NOT be placed on the Board agenda unless complete documentation is provided for mailing in the Board packets. (see reverse side for details)**

# AITKIN COUNTY ADMINISTRATION

**Aitkin County Courthouse**  
217 Second Street N.W. Room 130  
Aitkin, MN 56431  
218-927-7276  
Fax: 218-927-7374

**TO: Aitkin County Board of Commissioners**

**FROM: Patrick Wussow, County Administrator**

**RE: Approve Contractual Agreement between Aitkin County and the City of Aitkin for the Operation of the Aitkin Airport**

**DATE: April 4, 2012**

Attached for your approval is an agreement (proposed and original 1971 agreements) between the City of Aitkin and Aitkin County for the operation of the Aitkin Airport. The County Attorney has reviewed the agreement and his comments related to the insurance have been addressed. This new agreement replaces the agreement that has been in place since 1971.

At least two questions were raised at the March Board meeting:

- 1) The Agreement (section five) has been revised to show that any options for land purchases over \$1,000 must be approved by both the City and County. Previous language did not set a dollar limit for a land option.
- 2) Because this agreement is a rewrite of the 1971 agreement, there is not a redlined version to compare line item changes. The new agreement uses the original as a guide.

The County Attorney comments are attached. Staff worked with MCIT and the City to address insurance questions raised by the County Attorney. The City of Aitkin will carry the insurance through the League of Minnesota cities as they have the responsibilities of maintaining and managing the Aitkin Municipal Airport.

By approving this agreement you are authorizing the Board Chair and County Administrator to sign the agreement.

Please contact me with questions, prior to the meeting.

**JAMES P. RATZ**  
AITKIN COUNTY ATTORNEY  
217 SECOND STREET N.W.  
AITKIN, MINNESOTA 56431

TELEPHONE (218) 927-7347  
TOLL FREE 1-888-422-7347  
FAX (218) 927-7365

SENIOR ASSISTANT COUNTY ATTORNEY  
LISA ROGGENKAMP RAKOTZ

ASSISTANT COUNTY ATTORNEYS  
SARAH WINGE  
BENJAMIN M. SMITH  
REBECCA A. TRAPP

PARALEGALS  
MICHELE J. MOTHERWAY  
TAMMY K. SPELDRICH

CRIME VICTIM COORDINATOR  
JESSICA L. SUNDQUIST  
TELEPHONE (218) 927-7446

## MEMORANDUM

**TO:** Patrick Wussow, County Administrator  
Kathy Brophy, City Clerk

**FROM:** Jim Ratz, County Attorney *JPR*

**DATE:** February 15, 2011

**RE:** Review of Contractual Agreement between City of Aitkin and County of Aitkin

I have reviewed the above-referenced agreement and would approve said agreement as to form with the following modifications and comments:

1. The references to "Laws 1945, Ch. 303..." should be deleted in that the cited sessions laws have long ago been incorporated into the Minnesota Statutes Chapter 360.
2. With respect to the amount of \$1,000 in Section 5, is it the intent to leave that amount unadjusted?
3. In Section 3, I would recommend designating the County Administrator position as the Assistant Airport Manager with the full authority to fulfill the duties of Airport Manager when the Aitkin City Clerk is absent or the position is vacant.
4. Please consider adding a line or two stating that the Aitkin Airport Commission will obtain liability coverage in amounts of at least the statutory limits set forth in Minnesota Statutes Chapter 466, and coverage that provides for legal representation if the AAC is sued as an entity or through its board.

If you have any questions, please feel free to contact my office.

## DEFINITION OF CITY ENDORSEMENT

It is understood and agreed that *city* is amended to include:

AITKIN PUBLIC UTILITY COMMISSION  
AITKIN MUNICIPAL AIRPORT COMMISSION  
AITKIN ECONOMIC DEVELOPMENT AUTHORITY

All other terms and conditions remain unchanged.

STATE OF MINNESOTA

COUNTY OF AITKIN

\*\*\*\*\*

City of Aitkin )  
AND )  
County of Aitkin )

CONTRACTUAL AGREEMENT

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WHEREAS, the City of Aitkin hereinafter referred to as the City and the County of Aitkin, hereinafter referred to as the County, through their legislative bodies, established a joint City – County airport as documented in the Contractual Agreement dated September 8, 1971, in accordance with Minnesota Statutes 360 et seq.; and

WHEREAS, the legislative bodies have directed that the said Contractual Agreement dated September 8, 1971, be updated.

NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

1. IN GENERAL. The City and the County agreed each with the other to participate as hereinafter provided for the acquisition of a tract of land for the purposes of constructing, expanding and operating an airport thereon and to construct, maintain and operate the airport jointly as hereinafter provided.
2. CONTRIBUTION TO CAPITAL COSTS. The City and County, subject to qualifications hereinafter set out, shall contribute 1/3 and 2/3, respectively, to that portion of the cost of acquisition of the airport site and the capital costs of construction, improvement and development of the airport which are not covered by state and federal contributions thereto. An undivided 1/3 City, 2/3 County in land already acquired for airport purposes by the same shall be deeded without cost as necessary to maintain the required proportion to the following described land, to-wit:

The Northeast Quarter of the Northwest Quarter  
(NE ¼ of NW ¼ ) and Government Lot One (1) of Section  
Nineteen (19), Township Forty-Seven (47), Range  
Twenty-Six (26)

AND ALSO

2.23 acres of Lot One (1) as in Book 75 of Deeds, page 293 of Section Twenty-four (24), Township Forty-seven (47), Range Twenty-seven (27)

AND ALSO

The Southeast Quarter of the Southwest Quarter (SE ¼ of SW ¼ ) and the South Half of the Southeast Quarter (S ½ of SE ¼ ) in Section Eighteen (18) And the Northwest Quarter of the Northeast Quarter (NW ¼ of NE ¼ ) of Section Nineteen (19), ALL in Township Forty-seven (47), Range Twenty-six (26)

and located in the County of Aitkin, State of Minnesota.

AND ALSO

Any additional property acquired for airport purposes in the future.

3. AIRPORT COMMISSION. The AITKIN AIRPORT COMMISSION was created under the original Contractual Agreement dated September 8, 1971. The Commission shall consist of five (5) members as follows: Two (2) members shall be chosen by the City Council and three (3) members shall be chosen by the County Board. Each member shall serve for terms of three (3) years; the City Council and the County Board making appointment of their respective members as their terms expire. Appointees shall serve until their successors are appointed and qualified. Vacancies shall be filled for the unexpired portion of the term by the appropriate appointing body. The Commission shall choose one of its members as chair.

The Aitkin City Clerk will be appointed as the Airport Manager. The Airport Manager will attend all meetings of the Commission, record the minutes of those meetings, perform all financial tasks associated with the Commission, and act as custodian of Commission records as appropriate.

The County Attorney will be available to the Airport Commission for legal matters that may arise from time to time, as an extension of the County Board.

4. POWERS OF COMMISSION. The Commission, except as hereinafter provided, shall acquire necessary property to establish, construct, enlarge, improve, maintain, equip, operate and regulate an airport and other air navigation facilities and airport protection privileges to be jointly acquired, controlled and operated under this agreement.

The Commission may exercise on behalf of the County and City all the powers of each of such municipalities granted by Minnesota Statutes 360 et seq except as otherwise provided in this agreement.

No real property and no airport, other air navigation facility, or air protection privilege acquired under this agreement shall be disposed of by the Commission by sale, lease or otherwise except by authority of both the City Council and the County Board; but the Commission may lease space, area or improvements and grant concessions on airports for aeronautical purposes.

The Commission shall have authority to hire or retain professional services that may be necessary in accomplishing the purposes for which it was appointed.

The Commission shall have authority to enter into Grant Agreements with the State of Minnesota and with the Federal Aviation Administration, and to expend grant funds in accordance with said agreements.

The Commission shall have authority to advertise for bids and enter into contracts for improvements to the airport as appropriate.

5. REAL PROPERTY. No real property or options on real property, airport, restricted landing area, air protection privileges, or personal property costing in excess of \$1,000.00 shall be acquired, and no condemnation proceedings shall be instituted, except after authority to do so is granted in each individual case by the City Council and the County Board. Condemnation proceedings shall be instituted in the names of the City and County jointly. Real property acquired under this agreement shall be held by the City and the County as tenants in common. The City shall own 1/3 interest and the County shall own a 2/3 interest in the acquired property hereunder.

6. INSURANCE.

(a) Liability Coverage. The Airport Commission shall maintain liability coverage with the League of Minnesota Cities Insurance Trust with a minimum limit equal to the maximum municipal liability limit in Minnesota Statutes, Section 466.04, subd. 1, under standard LMCIT liability coverage forms. Alternatively, the Airport Commission may maintain equivalent private liability insurance coverage. Such coverage may be provided through a commercial general liability ("CGL") policy. Such private liability policies must comply with the following requirements.

- (1) Minimum Limits. Each policy shall have a limit at least equal to the maximum municipal liability limit in Section 466.04, subd. 1. If the policy contains a general aggregate limit, the general aggregate limit shall not be less than \$2,000,000.
- (2) Type of Coverage. The CGL insurance shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and contractually-assumed liability.

(3) Additional Insured. Each Party, and each Party's officers, employees, and volunteers, shall be named as additional covered parties on each policy for all claims arising from Airport Commission activities or operations.

(b) Auto Liability and Property Damage. The Airport Commission may in its discretion procure coverage for auto liability and damage to or loss of property.

(c) Workers' Compensation Coverage. The Airport Commission shall maintain workers' compensation coverage for its employees.

7. BUDGET.

(a) The Commission shall each year, prior to July 1, prepare a budget for airport finances for the ensuing calendar year. The budget shall be in two parts and shall be substantially balanced – revenues and expenditures.

(b) Such budgets shall be submitted not later than August 1 to the City Council and the County Board. The City shall pay 33 1/3 percent and the County shall pay 66 2/3 percent of the total contributions paid into the current airport fund by the City and the County each year. If either the City Council or the County Board fixes its contributions at less than the amount requested by the Commission, the contribution of the other shall be decreased proportionately, unless the latter shall decide to pay a larger portion of the total contribution than is required by this agreement.

(c) The expenditure allowance as finally adjusted and approved by the Commission shall control the year's spending program except that excess revenues received may be spent upon the approval of at least three members of the Commission.

(d) The Commission shall not itself levy taxes or borrow money; and it shall not approve any claims or incur any obligations for expenditure unless there is unencumbered cash in the appropriate airport fund to the credit of the Commission with which to pay the same.

(e) Any surplus in revenue over the cost of maintenance in operating expenses of the properties acquired under this agreement may be transferred by the Commission to the City and County in the same proportion as they are required by this paragraph to contribute for maintenance and operation. However, the City and the County realize that the Commission should attempt to maintain a fund balance equal to 50% of the average budgeted expenditures.



8. FINANCES.

- (a) The City Council shall act as fiscal agent for the Commission.
- (b) For the purpose of financing the necessary expenditures in carrying out the provision of this agreement, there is hereby created in the City accounts and treasury a special fund to be called Airport Fund. Into the Airport Fund shall be placed the various revenues enumerated in the budget provided for in paragraph 6, as well as any grant funds received. From it shall be paid claims for various airport expenditures as so enumerated, as well as any capital project expenses.
- (c) All receipts belonging to the Commission shall be deposited intact in a bank account to the credit of the airport funds and no disbursement shall be made from this fund except by check nor unless a verified claim for services and commodities actually rendered or delivered has first been submitted to and approved for payment by the Commission.
- (d) For purposes of budgeting, accounting and reporting, the fiscal year end of the Commission and the fund shall be December 31.
- (e) An audit of the funds shall be made annually. Such audit may be made independently of or in conjunction with any audit which may be made of the funds of the City.
- (f) Financial Reports will be made available to the City and the County periodically, or upon request.

9. REPORTS. The Commission shall, as soon as possible after the end of each fiscal year prepare and present to the City Council and the County Board a comprehensive annual report of its activities and finances. The Commission shall also prepare and present to federal and state officials such reports as may be required by law, regulation or contract.

10. TERMINATION. This agreement shall be in full force and effect for the term of five years from the date hereof and thereafter for like periods of five years until terminated by written notice from either party to the other party at least one year prior to the expiration of any such period. Notwithstanding termination, power of the Commission under this agreement shall continue to the extent necessary to maintain and operate the airport until disposition under paragraph 10 of the property acquired under this agreement has been achieved.

11. DISPOSITION OF PROPERTY UPON TERMINATION. As soon as practicable after termination of this agreement the City Council and County Board shall dispose of all property acquired under the agreement, including surplus funds, in any manner they shall then agree upon. If no agreement as to

disposition is reached within three months after termination of this agreement, the City Council shall, within 30 days thereafter appoint some person who may be a City official, as its representative; the County Board shall similarly appoint a representative; and the Minnesota Commissioner of Aeronautics shall appoint a third person who shall together constitute an advisory board on disposition of the airport property. This advisory board shall as soon as possible prepare and recommend to the City Council and the County Board a complete plan for the disposition of all property acquired under this agreement and such plan shall provide for the continuation of the use of the property as a public airport, if practicable. Upon termination of this agreement, each party shall provide for the payment of principal and interest on its outstanding bonds issued as a result of this agreement and, in the absence of another arrangement mutually agreed upon, each party shall assume the payment of debts and liabilities incurred by the Commission in the same proportion as it is required to contribute to the joint airport fund under section 6(b).

12. ENFORCEMENT. Specific performance of the provisions of this agreement may be enforced against either party by the other party.
13. AMENDMENTS. This agreement may be amended in any particular by following the procedure used for the adoption of the agreement.

IN WITNESS WHEREOF, the City of Aitkin has caused this agreement to be signed in its corporate name by its Mayor and City Clerk and sealed with the corporate seal of the City; and the County of Aitkin has caused this agreement to be signed by its corporate name by the Chairman of the Board of the County Commissioners and the County Administrator and sealed with the official seal of the County.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2011.

COUNTY OF AITKIN

CITY OF AITKIN

By \_\_\_\_\_  
Chairman of the Board  
of County Commissioners

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_  
County Administrator

By \_\_\_\_\_  
City Clerk

STATE OF MINNESOTA

COUNTY OF AITKIN

\*\*\*\*\*

Village of Aitkin )  
AND )  
County of Aitkin )

CONTRACTUAL AGREEMENT

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WHEREAS, the Village of Aitkin hereinafter referred to as the village and the County of Aitkin, hereinafter referred to as the county, have had under discussion, through their legislative bodies, the establishment of a joint village - county airport,

AND WHEREAS, such joint agreement seems the most desirable plan for furnishing airport services to the village and the county,

AND WHEREAS, such a plan is authorized by M.S.A. §360 et seq,  
NOW, THEREFORE, IT IS MUTUALLY AGREED AS FOLLOWS:

1. IN GENERAL. The village and the county agreed each with the other to participate as hereinafter provided for the acquisition of a tract of land for the purposes of constructing, expanding and operating an airport thereon and to construct, maintain and operate the airport jointly as hereinafter provided.

2. CONTRIBUTION TO CAPITAL COSTS. The village and county, subject to qualifications hereinafter set out, shall contribute 1/3, 2/3 to that portion of the cost of acquisition of the airport site and the capital costs of construction, improvement and development of the airport and not covered by state and federal contributions thereto. All preliminary expenses incurred hereunder prior to the acquisition of the airport site not covered by state and federal contributions hereto shall be borne by the village and the county on a 1/3 cost to the village and 2/3 cost to the county. An undivided 1/3, 2/3 in land already acquired for airport purposes by the same shall

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ATTORNEY AT LAW  
AITKIN, MINNESOTA 56431

be deeded without costs as necessary to maintain the required proportion to the following described land, to-wit:

The Northeast Quarter of the Northwest Quarter (NE $\frac{1}{4}$  of N W $\frac{1}{4}$ ) and Government Lot One (1) of Section Nineteen (19), Township Forty-seven (47), Range Twenty-six (26)

AND ALSO

2.23 acres of Lot One (1) as in Book 75 of Deeds, page 293 of Section Twenty-four (24), Township Forty-seven (47), Range Twenty-seven (27)

AND ALSO

The Southeast Quarter of the Southwest Quarter (SE $\frac{1}{4}$  of SW $\frac{1}{4}$ ) and the South Half of the Southeast Quarter (S $\frac{1}{2}$  of SE $\frac{1}{4}$ ) in Section Eighteen (18) and the Northwest Quarter of the Northeast Quarter (NW $\frac{1}{4}$  of NE $\frac{1}{4}$ ) of Section Nineteen (19), ALL in Township Forty-seven (47), Range Twenty-six (26)

and located in the County of Aitkin, State of Minnesota.

3. AIRPORT COMMISSION. There is hereby created the AITKIN MUNICIPAL AIRPORT COMMISSION. The commission shall consist of five (5) members as follows: Two (2) members shall be chosen by the village council and three (3) members chosen by the county board of county commissioners. Of the members first appointed, one chosen by the village council and one chosen by the county board shall serve for terms ending September 1, 1973. The other chosen by the village shall serve until September 1, 1974; the remaining two chosen by the county board shall serve until September 1, 1972 and September 1, 1974 respectively. Thereafter, all members shall serve for terms of three (3) years. The village council and the county board making appointment of their respective members as their terms expire. Both original and successive appointees shall serve until their successors are appointed and qualified. Vacancies shall be filled for the unexpired portion of the term by the appropriate appointing body. Members shall receive such compensation as the village council and the county board shall determine. The commission shall choose one of its members as chairman and one to act as secretary. In the

event the volume of work handled by the commission shall require it, paid clerical help may be employed by the commission.

4. POWERS OF COMMISSION. The commission, except as hereinafter provided, shall acquire necessary property to establish, construct, enlarge, improve, maintain, equip, operate and regulate an airport and other air navigation facilities and airport protection privileges to be jointly acquired, controlled and operated under this agreement. The commission may exercise on behalf of the county and village all the powers of each of such municipalities granted by M.S.A. 360 et seq except as otherwise provided in this agreement and in Laws 1945, Ch. 303, Sec. 20 as amended rules and regulations provided for by Laws 1945, Ch. 303, Sec. 17, Subd. 3 as amended may be proposed by the commission but shall be enacted only by the council and the county board, pursuant to the provisions of Laws 1945, Ch. 303, Sec. 20 as amended. No real property and no airport, other air navigation facility, or air protection privilege acquired under this agreement shall be disposed of by the commission by sale, lease or otherwise except by authority of both the village council and the county board of commissioners; but the commission may lease space, area or improvements and grant concessions on airports for aeronautical purposes, or purposes (incidental thereto subject to the provisions of Laws 1945, Ch. 303, Sec. 17, Subd. 4 as amended.) This commission shall have authority to hire or retain all employees and professional services that may be necessary in accomplishing the purposes for which it was appointed.

5. REAL PROPERTY. The commission on behalf of the village and county may procure options on real property suitable for the site of the proposed airport. No real property, airport, restricted landing area, air protection privileges, or personal property costing in excess of \$1,000.00 shall be acquired and no condemnation proceedings shall be instituted except after authority to do so has been granted in each individual case by the village council and the county board. Condemnation proceedings shall be instituted in the names of the village and county jointly.

The provisions of Laws 1945, Ch. 303, Sec. 11, Subd. 2 as amended, shall apply to such proceedings. Real property acquired under this agreement shall be held by the village and the county as tenants in common. The village shall own a 1/3 interest and the county shall own a 2/3 interest in the property acquired hereunder.

6. BUDGET.

(a). The commission shall each year, prior to August 1 prepare a budget for airport finances for the ensuing calendar year. The budget shall be in two parts and shall be substantially balanced. Part I shall allow the following items for the airport improvement fund established by paragraph 7:

A. Estimated revenues, divided as follows:

1. Federal and state grants.
2. Contribution from village.
3. Contribution from county.
4. Misc. revenues.

B. Estimated expenditures, divided as follows:

1. Personal services.
2. Services other than personal.
3. Supplies and materials.
4. Equipment.
5. Real estate and improvement.
6. Misc. expenditures.

Part II shall show the following items for the current airport fund created in paragraph 7:

A. Estimated revenues, divided as follows:

1. Federal and state grant and reimbursements.
2. Contribution from village.
3. Contribution from county.
4. Earnings from concessions, leases and charges made for the use of airport facilities.
5. Misc. revenues.

B. Estimated expenditures, divided as follows:

1. Personal services.

2. Services other than personal.
3. Supplies and materials.
4. Equipment.
5. Real estate and improvement.
6. Village bond retirement fund.
7. County bond retirement fund.

b. Such budgets shall be submitted not later than Sept. 1 to the village council and the county board.

Part I of the budget shall be for the information of the village council and the county board to assist in their financial planning. Part II of the budget shall be submitted for action by the village council and county board. The final decision of the village council and the county board as to the requested contributions in Part II shall be reported back to the commission which shall adjust the budget if necessary. The village shall pay 33 1/3 per cent of the total contributions paid into the current airport fund by the village and county each year. If either the village council or the county board fixes its contributions at less than the amount requested by the commission, the contribution of the other shall be decreased proportionately, unless the latter shall decide to pay a larger portion of the total contribution than is required by this agreement. The expenditure allowance as finally adjusted and approved by the commission shall control the year's spending program except that excess revenues received may be spent upon the approval of three members of the commission. The commission shall not itself levy taxes or borrow money; and it shall not approve any claims or incur any obligations for expenditure unless there is an unencumbered cash in the appropriate airport fund to the credit of the commission with which to pay the same. Any surplus in revenue over the cost of maintenance in operating expenses of the properties acquired under this agreement may be transferred by the commission to the village and county in the same proportion as they are required by this

paragraph to contribute for maintenance and operation.

7. FINANCES. For the purpose of financing the necessary expenditures in carrying out the provision of this agreement, there are hereby created in the county accounts and treasury two special funds to be called respectfully the joint airport improvement fund and the joint current airport fund. Into the joint airport improvement fund shall be placed the various revenues enumerated in Part I of the budget provided for in paragraph 6 and from it shall be paid claims for various airport expenditures as so enumerated. Into the joint current airport fund shall be placed the various revenues enumerated in Part II of the budget provided for in paragraph 6 and from it shall be paid claims for various airport expenditures as so enumerated. All receipts belonging to the commission shall be deposited intact in a bank account to the credit of the airport funds and no disbursement shall be made from this bank account except by check nor unless a verified claim for services and commodities actually rendered or delivered has first been submitted to and approved for payment by the commission as authenticated by signature of the chairman and secretary. The county auditor shall account for the fund and the custody of the cash and the bank checking account shall be in the hands of the county treasurer. These officers shall make reports to the commission at reasonable intervals as determined by the commission. For purposes of budgeting, accounting and reporting the fiscal year of the commission and the fund shall be April 30. An audit of the funds shall be made annually. Such audit may be made independently of or in conjunction with any audit which may be made of the funds of the county. Any employee of the commission who handles cash in the process of collection shall furnish a surety bond in such amount as is determined by the commission.

8. REPORTS. The commission shall, as soon as possible after the end of each fiscal year prepare and present to the village council and the county board a comprehensive annual report of its

**CLINTON W. WYANT**  
ATTORNEY AT LAW  
AITKIN, MINNESOTA 56431



activities and finances. The commission shall also prepare and present to federal and state officials such reports as may be required by law, regulation or contract.

9. TERMINATION. This agreement shall be in full force and effect for the term of five years from the date hereof and thereafter for like periods of five years until terminated by written notice from either party to the other party at least one year prior to the expiration of any such period. Notwithstanding termination, powers of the commission under this agreement shall continue to the extent necessary to maintain and operate the airport until disposition under paragraph 10 of the property acquired under this agreement.

10. DISPOSITION OF PROPERTY UPON TERMINATION. As soon as practicable after termination of this agreement the village council and county board shall dispose of all property acquired under the agreement, including surplus funds, in any manner they shall then agree upon. If no agreement as to disposition is reached within three months after termination of this agreement, the village council shall, within 30 days thereafter appoint some person who may be a village official, as its representative; the county shall similarly appoint a representative; and the Minnesota Commissioner of Aeronautics shall appoint a third person who shall together constitute an advisory board on disposition of the airport property. This board shall as soon as possible prepare and recommend to the village council and the county board a complete plan for the disposition of all property acquired under this agreement and such plan shall provide for the continuation of the use of the property as a public airport, if practicable. Upon termination of this agreement each party shall provide for the payment of principal and interest on its outstanding bonds issued as a result of this agreement and in the absence of another arrangement mutually agreed upon each party shall assume the payment of debts and liabilities incurred by the commission in the same proportion as it is required to contribute to the joint

current airport fund under section 6b.

11. ENFORCEMENT. Specific performance of the provisions of this agreement may be enforced against either party by the other party.

12. AMENDMENTS. This agreement may be amended in any particular by following the procedure used for the adoption of the agreement.

IN WITNESS WHEREOF, the Village of Aitkin has caused this agreement to be signed in its corporate name by its Mayor and Clerk and sealed with the corporate seal of the village and the County of Aitkin has caused this agreement to be signed by its corporate name by the chairman of the Board of the County Commissioners and the County Auditor and sealed with the official seal of the county.

Dated this 8th day of September 1971.

VILLAGE OF AITKIN

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_  
Clerk

AND

COUNTY OF AITKIN

By Malvin Jacobs  
Chairman of the Board of  
County Commissioners

By Marshall O. Dinger  
County Auditor

Section 2. This ordinance shall take effect and be in force one week from and after its publication.

Dated this 8th day of September 1971.

Michael Zumbach  
Mayor - Village of Aitkin

Elmer H. Wilke  
Clerk - Village of Aitkin

Melvin Jacobs  
Chairman of the Board of  
Aitkin County Commissioners

Franklin C. Diaper  
County Auditor - Aitkin Co.