

Metropolitan Airports Commission



Management and Operations Committee

Regular Monthly Meeting Agenda

Wednesday, July 07, 2010

1:00 pm

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SEE ATTACHED INFORMATION REGARDING SECURITY CHECKPOINT INFORMATION

MANAGEMENT AND OPERATIONS COMMITTEE

Mike Landy, Chair
Andy Westerberg, Vice Chair
Pat Harris
Jack Lanners, Commission Chair
Bert McKasy, FD&E Chair
Don Monaco
Paul Rehkamp
Sherry Stenerson
Daniel Boivin, HR&AA Chair

METROPOLITAN AIRPORTS COMMISSION NOTICE OF **REGULAR** MEETING **MANAGEMENT & OPERATIONS COMMITTEE**

Wednesday, July 7, 2010 1:00 p.m.
Room 3048A, Lindbergh Terminal
Wold-Chamberlain Field
Minneapolis-St. Paul International Airport

AGENDA

OPEN FORUM

The open forum is a portion of the Commission meeting where persons will be allowed to address the Commission on subjects which are not a part of the meeting agenda. Speakers are asked to limit their remarks to two minutes each. Persons wishing to speak must complete a sign-up card prior to the start of the meeting. The sign-up card should be given to any staff person. The Commission may take action or reply at the time of the statement of may give direction to staff at the end of the meeting regarding investigation of the concerns expressed.

CONSENT

Pages:

1. PROFESSIONAL SERVICE AUTHORIZATION (PSA) QUARTERLY REPORT.....
Thomas W. Anderson – General Counsel
Dennis Probst – Deputy Executive Director, Planning & Environment
Steve Busch – Deputy Executive Director Finance & Administrative Services
2. RECOMMENDATION TO AWARD SPECIALTY RETAIL CONCESSION AT TERMINAL 1-LINDBERGH.....
Becky Zwart - Assistant Manager Concessions and Business Services
3. REQUEST FOR AUTHORIZATION TO DIRECTLY NEGOTIATE AN AGREEMENT WITH REDBOX AUTOMATED RETAIL, LLC. FOR DVD RENTAL AND USED DVD SALES
Bruce Rineer - Assistant Manager Concessions and Business Development
4. RECOMMENDATION REGARDING SODIUM CHLORIDE (ROAD SALT) PROCUREMENT
Paul Sichko – Assistant Director of MSP Operations/Airside & Maintenance

- 5. RECOMMENDATION REGARDING LIQUID DEICER BIDS.....
Paul Sichko – Assistant Director of MSP Operations/Airside & Maintenance
- 6. REQUEST TO RENEW SECURED AREA ACCESS CONTROL SYSTEM MAINTENANCE AGREEMENT.....
Dave Ruch - Director Information Systems

DISCUSSION – ACTION

- 7. PUBLIC HEARING TO AMEND ORDINANCE 109 – RENTAL AUTO FACILITY CHARGE.....
Eric Johnson - Director, Commercial Management and Airline Affairs
Karen Kelly - Assistant Manager Airside Leasing & Tenant Relations
- 8. RECOMMENDATION RE: ADJUSTMENT TO COMMERCIAL VEHICLE PER-TRIP FEE AND TAXICAB ANNUAL PERMIT FEE.....
Arlie Johnson – Assistant Director of MSP Operations/Landside

DISCUSSION – INFORMATION

- 9. 2010 STATE LEGISLATIVE SUMMARY.....
Mitchell Kilian, Director of Governmental Affairs

Materials for this meeting are available at the following website:
<http://www.metroairports.org/mac/meetings/default.aspx>

SECURITY CHECKPOINT INFORMATION

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MEMORANDUM

ITEM 1

TO: Management & Operations Committee

FROM: Thomas W. Anderson, General Counsel (726.8178)
Dennis Probst, Deputy Executive Director – Planning & Environment (726.8187)
Steve Busch, Deputy Executive Director - Finance & Administrative Services
(726.8148)

SUBJECT: PROFESSIONAL SERVICE AUTHORIZATIONS QUARTERLY REPORT

DATE: June 25, 2010

In May 2010 the Commission revised the Consultant Use and Selection Policy, which in part states that on a quarterly basis, reports will be provided to the Commission on all new or adjusted Professional Service Authorizations (PSAs) and a report summarizing total actual payments to each consultant for work performed during the preceding 5 years. Therefore, for the second quarter (April, May, June) of 2010, the following are provided:

Operating Budget:

- Attachment 1 PSAs issued
- Attachment 2 Adjustments to existing PSAs

Capital Improvement Budget:

- Attachment 3 PSAs issued
- Attachment 4 Adjustments to existing PSAs
- Attachment 5 PSA Closeouts

Operating and Capital Improvement Budgets:

- Attachment 6 Five-Year Summary of Consultant Payments

The reports will be updated on a regular basis and submitted to the Commission on a quarterly basis. The next reports are to be presented in October 2010.

THIS IS AN INFORMATIONAL ITEM ONLY; NO COMMITTEE ACTION IS REQUIRED.

Metropolitan Airports Commission (MAC) Professional Services Authorization (PSA) Report

PSAs issued in the 2nd Quarter of 2010 - Operating Budget:

<u>MAC Division</u>	<u>Professional Service Firm/Consultant</u>	<u>PSA Number</u>	<u>Project Description</u>	<u>Amount Authorized</u>
CMAA	The Valuation Group	33872 PS	FCM: Athletic Fields Market Rental Rates Appraisal	\$ 4,250
	Carlos Lopez Consulting	33875 PS	Air Service Recruitment Assistance	\$ 50,000
Executive Director	LM Global Consultants	33879 PS	Departmental Management Assessments	\$ 50,000
Finance & Admin. Serv.	Denovo Ventures LLC (prev. Leverage Cons.)	33841 PS	E1 - CNC Technical Support	\$ 135,000
		33842 PS	April - December 2010: E1 System Support	\$ 135,000
		33843 PS	E1 - Scoping/Time Estimating/Design - Future Programming	\$ 42,000
		33869 PS	Enterprise One 8.98 Tools Release Upgrade	\$ 65,700
		33870 PS	Accounts Receivable Northwest/Delta Reconciliation Analysis	\$ 15,750
	33888 PS	E1 - CFR11 Implementation Services	\$ 5,000	
	BKD LLP	33853 PS	2010 GARB: Series A - D: Consulting Services	\$ 20,000
Planning & Environment	Wenck Associates, Inc.	33848 PS	St. Paul Airport: Detailed Surface Water Mgmt. Maps	\$ 10,339
	Liesch Associates, Inc.	33866 PS	Reliever Airports: Stormwater Permitting Assistance	\$ 51,800
	HNTB	33876 PS	MSP Long Term Comprehensive Plan (LTCP) Preparation	\$ 9,700
Total:				\$ 594,539

Adjustments to existing PSAs - 2nd Quarter 2010 - Operating Budget:

<u>MAC Division</u>	<u>Professional Service Firm/Consultant</u>	<u>PSA Number</u>	<u>Project Description</u>	<u>Amount Authorized</u>	<u>Adjusted Amount</u>	<u>Total Amount</u>
Finance &	Denovo Ventures LLC (prev. Leverage Cons.)	33658 PS	Phase II - E1 Implementation Support	\$ 300,000	\$ 90,838	\$ 390,838
Admin. Serv.	BKD, LLP	33674 PS	2009 Financial Audit Services	\$ 139,000	\$ 37,000	\$ 176,000
Public Information	Padilla Speer Beardsley	33774 PS	2010 Public Relations Support Services	\$ 505,000	\$ 20,000	\$ 525,000
Total:				\$ 944,000	\$ 147,838	\$ 1,091,838

Metropolitan Airports Commission (MAC) Professional Services Authorization (PSA) Report

PSAs issued in the 2nd Quarter of 2010 - Capital Improvement Program:

<u>MAC Division</u>	<u>Professional Service Firm/Consultant</u>	<u>PSA Number</u>	<u>Scope of Work Phase</u>	<u>Project Description</u>	<u>Amount Authorized</u>	
Finance & Admin. Serv.	Faith Group LLC	33854 PS	Miscellaneous	CCTV Program - Software Consulting Services	\$ 120,000	
Planning & Environment	Architectural Alliance	33868 PS	Schematic	Concessions Misc. Mods Updates/Planning	\$ 60,000	
		33917 PS	Schematic	T1-Lindbergh Skyway HVAC	\$ 70,000	
		33918 PS	Preliminary	T1-Lindbergh Skyway Flooring	\$ 14,000	
		33919 PS	Preliminary	T1-Lindbergh Restrooms Upgrade Survey	\$ 205,000	
		33856 PS	Design	T1-Lindbergh: Valet Garage Flam. Waste Trap Replace.	\$ 75,000	
		33858 PS	Design	T1-Lindbergh & Campus Area - 2010 Miscellaneous Mods	\$ 260,000	
		33880 PS	Design	Electrical Infrastructure Rehabilitation - Phase 3	\$ 309,000	
		33881 PS	Design	Emergency Power Upgrades - Phase 2	\$ 230,000	
		33882 PS	Design	T1-Lindbergh: Air Handling Unit (AHU) Replacement - Phase I	\$ 128,000	
		33883 PS	Design	2010 Conveyance System Modifications	\$ 116,000	
		33884 PS	Design	Energy Improvements - Phases 14/15/16	\$ 463,000	
		33889 PS	Design	Open Architecture Building Automation (OABA) Ph. 3	\$ 211,000	
		33890 PS	Design	2010 Valet Garage Waiting Area Improvements	\$ 67,000	
		33908 PS	Design	T1-Lindbergh: Passenger Screening Improvements - Phase 2	\$ 101,000	
		33909 PS	Design	T1-Lindbergh: Passenger Screening Improvements - Phase 3	\$ 145,000	
		33910 PS	Design	T1-Lindbergh: Fire Protection Phase 3 (Purchase Order Work)	\$ 240,000	
		33886 PS	Construction	T1-Lindbergh: Fire Protection - Phase 4	\$ 722,000	
		33893 PS	Construction	T1-Lindbergh: South Baggage Screening Ph. 2 - Site Prep.	\$ 73,000	
		33916 PS	Construction	2010 Misc. Modifications - BP #1 (T1-Lindbergh & Campus)	\$ 94,000	
		33922 PS	Construction	T1-Lindbergh: Passenger Screening Improvements - Phase 2	\$ 55,100	
		33923 PS	Construction	T1-Lindbergh: Valet Garage Flam. Waste Trap Replace.	\$ 28,000	
		33927 PS	Construction	T1-Lindbergh: Valet Garage Waiting Area Improvements	\$ 32,000	
		Kimley-Horn and Associates, Inc.	33891 PS	Design	2010 Landside Pavement Rehabilitation	\$ 40,000
			33898 PS	Design	2010 Parking Structure Rehabilitation - Phase 2	\$ 35,000
			33901 PS	Construction	2010 Parking Structure Rehabilitation - Phase 1	\$ 160,000
		Kraus-Anderson	33844 PS	Design	T1-Lindbergh: Folded Plate Drain Repair	\$ 53,287
			33855 PS	Design	2010 Ramp Rehabilitation	\$ 21,732
			33857 PS	Design	T1-Lindbergh: Valet Garage Flam. Waste Trap Replace.	\$ 5,209
			33902 PS	Design	T2-Humphrey: Gates 6 & 7 Jet Bridges Replacement	\$ 8,765
			33905 PS	Design	T1-Lindbergh: So. Baggage Screening Phase 2-Bldg. Shell	\$ 59,453
33906 PS	Design		T1-Lindbergh: So. Baggage Screening Phase 2-Site Prep.	\$ 29,163		
33911 PS	Design		T1-Lindbergh: Valet Parking Waiting Area Improvements	\$ 7,939		
33912 PS	Design		2010 Misc. Modifications - BP #1 (T1-Lindbergh & Campus)	\$ 12,006		
33913 PS	Design		2010 Misc. Modifications - BP #2 (T2-Humphrey & Campus)	\$ 5,146		
33914 PS	Design		T1-Lindbergh: So. Baggage Screening Phase 2-BHS & EDS	\$ 33,714		
33920 PS	Design		FAA Building Improvements	\$ 13,542		
33921 PS	Design		T1-Lindbergh: So. Baggage Screening Ph 2-Right-of-Way/ENC	\$ 59,696		

PSAs issued in the 2nd Quarter of 2010 - Capital Improvement Program - continued:

<u>MAC Division</u>	<u>Professional Service Firm/Consultant</u>	<u>PSA Number</u>	<u>Scope of Work Phase</u>	<u>Project Description</u>	<u>Amount Authorized</u>
Kraus-Anderson (continued)		33862 PS	Construction	2010 Ramp Rehabilitation	\$ 90,056
		33863 PS	Construction	T1-Lindbergh: Valet Garage Flam. Waste Trap Replace.	\$ 13,557
		33903 PS	Construction	T2-Humphrey: Gates 6 & 7 Jet Bridges Replacement	\$ 34,384
		33907 PS	Construction	T1-Lindbergh: Folded Plate Concrete Repair	\$ 59,411
		33924 PS	Construction	T1-Lindbergh: Fire Protection Phase 4	\$ 433,868
		33926 PS	Construction	T1-Lindbergh: Valet Parking Waiting Area Improvements	\$ 11,050
		33928 PS	Construction	T1-Lindbergh: So. Baggage Screening Phase 2-Bldg. Shell	\$ 237,961
		33929 PS	Construction	2010 Misc. Modifications - BP #2 (T2-Humphrey & Campus)	\$ 18,279
		33930 PS	Construction	2010 Misc. Modifications - BP #1 (T1-Lindbergh & Campus)	\$ 40,974
		33931 PS	Construction	T1-Lindbergh: So. Baggage Screening Phase 2-BHS & EDS	\$ 524,155
		33932 PS	Construction	T1-Lindbergh:So. Baggage Screening Ph 2-Right-of-Way/ENC	\$ 108,223
		33933 PS	Construction	FAA Building Improvements	\$ 80,274
	Liesch Associates, Inc.		33877 PS	Design	T1-Lindbergh: Valet Garage Flammable Waste Trap - Ph. 2
		33860 PS	Environmental	2010 Noise Program - Lead Paint Compliance	\$ 113,800
		33874 PS	Environmental	Taxiway C-D Complex - Phase 6	\$ 16,400
		33897 PS	Environmental	T1-Lindbergh:South Baggage Screening Ph. 2 - Site Prep.	\$ 9,000
		33915 PS	Environmental	North Side Storm Sewer Improvements - Ponds 3 & 4	\$ 41,200
		33878 PS	Construction	T1-Lindbergh: Valet Garage Flammable Waste Trap - Ph. 2	\$ 8,400
Michaud Cooley Erickson		33865 PS	Preliminary	Alternative Energy Opportunity Projects Investigation	\$ 100,000
		33871 PS	Preliminary	Runway 12R/30L Vehicle Tunnel Ventilation	\$ 28,000
		33861 PS	Design	St. Paul Airport Building Maintenance & Improvements	\$ 28,000
Miller Dunwiddie		33894 PS	Preliminary	Multiple Bldgs. Roof Replace (Navy/Impark/Mtce/H&I)	\$ 40,000
		33846 PS	Design	FAA Building Modifications	\$ 230,000
		33859 PS	Design	T2-Humphrey & Campus Area - 2010 Miscellaneous Mods	\$ 80,000
		33783 PS	Design	T2-Humphrey: Gates 6 & 7 Jet Bridges Replacement	\$ 58,000
		33904 PS	Construction	T2-Humphrey Gates 6 & 7 Jet Bridges Replacement	\$ 50,000
SEH/Short Elliott Hendrickson		33892 PS	Preliminary	Lake Elmo Runway 14/32 Reconstruction	\$ 52,300
		33895 PS	Construction	Anoka-Blaine 2010 Pavement Rehabilitation	\$ 46,700
		33896 PS	Construction	Anoka-Blaine Security Gate Replacement	\$ 21,600
TKDA		33852 PS	Preliminary	North Fuel Island Oil-Water (OWS) Separator	\$ 50,000
		33867 PS	Preliminary	2011 Post Road Fuel Farm Fire Protection Improve.	\$ 100,000
		33845 PS	Design	Xcel Electrical Improvements	\$ 55,000
		33850 PS	Design	2010 Miscellaneous Airfield Construction	\$ 30,000
		33851 PS	Design	2010 Airside Bituminous Construction	\$ 25,000
		33864 PS	Design	T1-Lindbergh:Upper Level Rdwy Guardrail Support Replace.	\$ 45,000
		33885 PS	Design	2010 Pavement Joint Sealing	\$ 30,000
		33847 PS	Construction	Taxiway C-D Complex Phase 6	\$ 500,000
		33849 PS	Construction	Xcel Electrical Improvements	\$ 65,000
		33887 PS	Construction	T1-Lindbergh: South Baggage Screening, BP 1-Site Prep.	\$ 292,000
		33899 PS	Construction	2010 Miscellaneous Airfield Construction	\$ 50,000
		33900 PS	Construction	2010 Airside Bituminous Construction	\$ 30,000
		33925 PS	Construction	T1-Lindbergh Upper Level Roadway Guardrail Support Repl.	\$ 145,000
Total:					\$ 8,358,744

Adjustments to existing PSAs - 2nd Quarter 2010 - Capital Improvement Program:

Planning & Environment	Architectural Alliance	33620 PS	Design	Design: Energy Improvements - Phases 12/13	\$ 397,000	\$ 144,000	\$ 541,000
Total:					\$ 397,000	\$ 144,000	\$ 541,000

Professional Service Authorization Closeouts - 2nd Quarter 2010 - Capital Improvement Program:

MAC Division	Professional Service Firm/Consultant	PSA Number		Project Description	Amount Authorized to Date	Amount Credited	Total Amount Authorized
Legal	Briggs & Morgan	33502 PS	N/A	Legal Services	\$ 150,000	\$ (130,848)	\$ 19,152
Affairs	Faegre & Benson	33539 PS	N/A	Legal Services - Administration & Planning	\$ 10,000	\$ (1,178)	\$ 8,822
		33540 PS	N/A	Legal Services - Kelley-Lounsbury Parcel	\$ 150,000	\$ (94,392)	\$ 55,608
		33541 PS	N/A	Legal Services - Lunda Construction	\$ 5,000	\$ (3,875)	\$ 1,125
		33542 PS	N/A	Legal Services - MOAC Land Holdings	\$ 620,000	\$ (3,298)	\$ 616,702
		33543 PS	N/A	Legal Services - Utility Relocation	\$ 5,000	\$ (4,875)	\$ 125
		33544 PS	N/A	Legal Services - Reuse of Metro Office Park	\$ 25,000	\$ (6,994)	\$ 18,006
		33545 PS	N/A	Legal Services - Super America	\$ 5,000	\$ (115)	\$ 4,885
Planning & Environment	Architectural Alliance	33659 PS	Schematic	T1-Lindbergh: Bag Screening Phase 2 - Site Preparation	\$ 310,000	\$ (17)	\$ 309,983
		12991 PS	Preliminary	Bag Handling Sys. (BHS)/Passenger Boarding Bridges Study	\$ 345,000	\$ (62,190)	\$ 282,810
		13150 PS	Design	T1-Lindbergh: HVAC Modifications	\$ 156,000	\$ (16,417)	\$ 139,583
		13167 PS	Design	Multi-User Flight Information Display System (MUFIDS) Phase I	\$ 34,000	\$ (2,522)	\$ 31,478
		13336 PS	Design	T1-Lindbergh: IAF Paging & Office Modifications	\$ 82,034	\$ (21,615)	\$ 60,419
		13402 PS	Design	T1-Lindbergh: Concourse A Food Court Renovation	\$ 20,000	\$ (85)	\$ 19,915
		33574 PS	Design	Open Architecture Building Automation (OABA) - Phase 2	\$ 205,000	\$ (2,432)	\$ 202,568
		33580 PS	Design	T1-Lindbergh: Valet Garage Flam. Waste Trap Replace-2009	\$ 53,000	\$ (3,484)	\$ 49,516
		33608 PS	Design	Tug Drive Floor Replacement - Phase 3	\$ 252,000	\$ (16,219)	\$ 235,781
		33609 PS	Design	T1-Lindbergh: Folded Plate (Roof) Plate Drain Repairs	\$ 187,000	\$ -	\$ 187,000
		33622 PS	Design	T1-Lindbergh: Valet Car Wash Replacement	\$ 20,000	\$ (2,300)	\$ 17,700
		13400 PS	Construction	2008 Facilities Monitoring	\$ 90,000	\$ (171)	\$ 89,829
		13424 PS	Construction	Open Architecture Building Automation (OABA) - 2008	\$ 124,000	\$ (692)	\$ 123,308
	CEE/Center for Energy & Environment	13070 PS	Design	2008/2009 Sound Mitigation Program - Phase 1	\$ 3,180,344	\$ (861,585)	\$ 2,318,759
		13368 PS	Construction	2009 Noise Mitigation Phase 2A Implementation	\$ 1,861,706	\$ (435,192)	\$ 1,426,514
		13414 PS	Construction	Residential Noise Mitigation Phase 3 Reimbursement	\$ 47,435	\$ (15,215)	\$ 32,220
		33617 PS	Construction	Residential Noise Mitigation Ph 2A Completion/Ph.2B Develop.	\$ 96,527	\$ (17,149)	\$ 79,378
		33672 PS	Construction	Residential Noise Mitigation Ph 2B Production-Windows/Doors	\$ 582,966	\$ (359,791)	\$ 223,175
	HNTB	12595 PS	Construction	St. Paul Downtown Airport: Compensatory Excavation	\$ 371,000	\$ (14,985)	\$ 356,015
	Kimley-Horn and Associates, Inc.	33678 PS	Schematic	Airport Lane-34th Ave Reconfig: Data Collection, Forecasting	\$ 50,000	\$ (16)	\$ 49,984
		12912 PS	Design	T2-Humphrey Parking Expansion Levels 9 & 10	\$ 928,000	\$ (1)	\$ 927,999
		13125 PS	Design	Taxi Lot VMS Replacement	\$ 45,000	\$ (5,716)	\$ 39,284
		13338 PS	Construction	Taxi Lot VMS Replacement	\$ 30,000	\$ (718)	\$ 29,282
		33471 PS	Construction	T1-Lindbergh Guaranteed Parking Control - PO Work	\$ 30,000	\$ (4,836)	\$ 25,164
		33689 PS	Construction	2009 Landside Pavement Rehabilitation	\$ 25,000	\$ -	\$ 25,000
	Kraus-Anderson	33569 PS	Design	Tug Drive Floor Repair - Phase 3	\$ 58,085	\$ (90)	\$ 57,995
		33578 PS	Design	T2-Humphrey Parking Orange Ramp BP #R4-Exit Roadway	\$ 8,028	\$ -	\$ 8,028
		33708 PS	Design	Multi-User Flight Information Display System (MUFID) Phase 2	\$ 41,294	\$ -	\$ 41,294
		33709 PS	Design	Passenger Screening Improvements	\$ 4,466	\$ -	\$ 4,466
		13178 PS	Construction	Open Architecture Building Automation (OABA) Phase I	\$ 58,606	\$ (23)	\$ 58,583
		13419 PS	Construction	T1-Lindbergh: Conference Center Facility Upgrade	\$ 11,583	\$ (1,399)	\$ 10,184
		13420 PS	Construction	T1-Lindbergh: Carpet Installation	\$ 206,405	\$ (751)	\$ 205,654
		13421 PS	Construction	T1-Lindbergh: Airport Director's Office(ADO)/Breakroom Mods	\$ 15,429	\$ (2,681)	\$ 12,748
		33577 PS	Construction	Energy Savings Project - Phases 10 & 11: Boiler & HCML	\$ 64,854	\$ (4)	\$ 64,850
		33593 PS	Construction	2009 Conveyance System Modifications	\$ 48,151	\$ (14)	\$ 48,137
		33600 PS	Construction	T2-Humphrey Parking Orange Ramp BP #R4-Exit Roadway	\$ 30,791	\$ -	\$ 30,791
		33613 PS	Construction	T1-Lindbergh: Fire Protection - Ph. 3: Asbestos Abatement	\$ 3,421	\$ (3,421)	\$ -
		33616 PS	Construction	T1-Lindbergh: Concourses E & F Floor Rehabilitation	\$ 54,679	\$ (100)	\$ 54,579

Professional Service Authorization Closeouts - 2nd Quarter 2010 (continued)

MAC Division	Professional Service Firm/Consultant	PSA Number		Project Description	Amount Authorized to Date	Amount Credited	Total Amount Authorized
	Liesch Associates, Inc.	13121 PS	Preliminary	North Side Storm Sewers - Ponds 3 & 4	\$ 39,600	\$ (3,657)	\$ 35,943
		12484 PS	Environmental	T2-Humphrey: North Parking Expansion - BP #R1	\$ 13,600	\$ (1,813)	\$ 11,787
		13448 PS	Environmental	Concourse G Expansion Site Stabilization - BP #3	\$ 38,900	\$ (4,845)	\$ 34,055
		33611 PS	Environmental	Taxiway C-D Complex - Phase 5	\$ 11,500	\$ (0)	\$ 11,500
		33653 PS	Environmental	Runway 12L/30R Reconstruction - Segment 2	\$ 17,000	\$ (277)	\$ 16,723
		33654 PS	Environmental	Airport Lane Reconfiguration	\$ 12,200	\$ (3,692)	\$ 8,508
		33664 PS	Environmental	Runway 12L Sanitary Sewer Reconstruction	\$ 8,400	\$ (5,142)	\$ 3,258
		33665 PS	Environmental	T2-Humphrey: Parking Expan Orange Ramp Rdwy/Exit-BP #R4	\$ 7,250	\$ (819)	\$ 6,431
		33793 PS	Environmental	Miscellaneous Modifications BP #1 - Valet Lot	\$ 4,150	\$ (1,201)	\$ 2,949
		33877 PS	Design	T1-Lindbergh: Valet Garage Flam. Waste Trap Replace. Ph. 2	\$ 3,400	\$ (696)	\$ 2,705
	Michaud Cooley Erickson	33645 PS	Preliminary	St. Paul Downtown Airport: Admin. Bldg HVAC Upgrade Study	\$ 4,500	\$ (9)	\$ 4,491
		33646 PS	Preliminary	Runway 12R (Old) Vehicle Tunnel Ventilation Study	\$ 7,500	\$ (35)	\$ 7,465
		33679 PS	Preliminary	GO Data Center Fire Alarm & Suppression System	\$ 15,000	\$ (1,535)	\$ 13,465
		33670 PS	Design	MAC IS Data Center Consolidation Study	\$ 165,250	\$ (15)	\$ 165,235
	Miller Dunwiddie Architecture	33791 PS	Preliminary	T2-Humphrey: Gates 6 & 7 Jet Bridges Replacement	\$ 20,000	\$ (8)	\$ 19,992
		33795 PS	Preliminary	FAA Building Upgrades	\$ 30,000	\$ -	\$ 30,000
		13114 PS	Design	2009 Multi-Family Sound Insulation/Mitigation Program	\$ 160,000	\$ (4,530)	\$ 155,470
		13160 PS	Design	2009 CIP/Projects Assistance	\$ 10,000	\$ (1,035)	\$ 8,965
		33642 PS	Design	T2-Humphrey: Skyway Expansion	\$ 1,230,000	\$ (3)	\$ 1,229,997
		33746 PS	Design	2010 Miscellaneous Modifications - T2-Humphrey	\$ 30,000	\$ (1)	\$ 29,999
		13135 PS	Construction	Concourse G Expan. Site Prep. - BP#2 Superstructure Demo.	\$ 485,000	\$ (9)	\$ 484,991
		13348 PS	Construction	T1-Lindbergh & T2-Humphrey: Signage Lighting Upgrade	\$ 50,000	\$ (18)	\$ 49,982
		13363 PS	Construction	Emergency Communications Center (ECC) Facility	\$ 95,000	\$ (14)	\$ 94,986
		33667 PS	Construction	Field Maintenance Bldg. Air Handling Unit (AHU) Replacement	\$ 20,000	\$ (2)	\$ 19,998
		33677 PS	Construction	2009 Miscellaneous Modifications - Phase 2	\$ 39,500	\$ (0)	\$ 39,500
	SEH/Short Elliott Hendrickson	12802 PS	Preliminary	FCM: Runway Extensions Precision Approach Survey	\$ 82,700	\$ (8)	\$ 82,692
		13418 PS	Preliminary	FCM: Mustang Lane Hangar Removal	\$ 38,200	\$ (7)	\$ 38,193
		33553 PS	Preliminary	Airlake: 2010 Pavement Rehabilitation	\$ 14,600	\$ (9,171)	\$ 5,429
		33585 PS	Preliminary	Crystal: Runway 14R/32L Modifications	\$ 39,500	\$ (31,622)	\$ 7,878
		33643 PS	Design	FCM: Mustang Lane Hangar/Building Removal	\$ 31,800	\$ (0)	\$ 31,800
		13128 PS	Construction	Lake Elmo: 2008 Pavement Rehabilitation	\$ 40,800	\$ (3)	\$ 40,797
		13129 PS	Construction	St. Paul: 2008 Pavement Rehabilitation	\$ 97,715	\$ (4)	\$ 97,711
		13149 PS	Construction	FCM: Sanitary Sewer - Watermain Extensions	\$ 352,100	\$ (36)	\$ 352,064
		13161 PS	Construction	FCM: Runway 10L/28R Extension	\$ 64,600	\$ (1)	\$ 64,599
		13307 PS	Construction	St. Paul: 2008 Security Gate Replace. & Terminal Bldg. Repairs	\$ 19,900	\$ (7)	\$ 19,893
		33537 PS	Construction	FCM: Runway 10R/28L Extension - Phase I	\$ 120,000	\$ (3)	\$ 119,997
		33597 PS	Construction	FCM: 2009 Alleyway Rehabilitation	\$ 40,700	\$ (7)	\$ 40,693
		33598 PS	Construction	Crystal: 2009 Alleyway Rehabilitation	\$ 33,200	\$ (0)	\$ 33,200
		33605 PS	Construction	FCM: South Hangar Area Grading & Utilities	\$ 335,800	\$ (16)	\$ 335,784
		33606 PS	Construction	FCM: Runway 10R/28L Exten.-Phase 2/S. Bldg. Area Ph. I	\$ 435,600	\$ (16)	\$ 435,584
		33668 PS	Construction	FCM: Incursion Reduction - Runway Guard Lights Installation	\$ 86,500	\$ (3)	\$ 86,497
		33669 PS	Construction	FCM: Incursion Reduction - Security Gate & Taxilane Signage	\$ 57,500	\$ (629)	\$ 56,871

Professional Service Authorization Closeouts - 2nd Quarter 2010 (continued)

MAC Division	Professional Service Firm/Consultant	PSA Number	Project Description	Amount Authorized to Date	Amount Credited	Total Amount Authorized
TKDA		33517 PS	Preliminary Taxiway C-D Complex - Phase 6	\$ 200,000	\$ (26)	\$ 199,974
		33555 PS	Preliminary Bridge and Tunnel Safety Inspection	\$ 40,000	\$ (22)	\$ 39,978
		33797 PS	Preliminary 2010 Pavement Joint Sealing	\$ 25,000	\$ (140)	\$ 24,860
		33798 PS	Preliminary 2010 Miscellaneous Airfield Construction	\$ 25,000	\$ (53)	\$ 24,947
		33801 PS	Preliminary 2010 Airside Bituminous	\$ 25,000	\$ -	\$ 25,000
		33823 PS	Preliminary T1-Lindbergh Upper Level Roadway Guardrail Support Repl.	\$ 40,000	\$ (56)	\$ 39,944
		33624 PS	Design 2009 Pavement Joint Sealing - Phase 2	\$ 15,000	\$ (238)	\$ 14,762
		33716 PS	Design Taxiway C-D Complex - Phase 6	\$ 100,000	\$ -	\$ 100,000
		33845 PS	Design Xcel Electrical Improvements	\$ 55,000	\$ (34)	\$ 54,966
		33850 PS	Design 2010 Miscellaneous Airfield Construction	\$ 30,000	\$ (1)	\$ 29,999
		33851 PS	Design 2010 Airside Bituminous	\$ 25,000	\$ -	\$ 25,000
		12782 PS	Construction Runway 17/35 RPZ Landscape Restoration	\$ 20,000	\$ (116)	\$ 19,884
		13021 PS	Construction MSP 2008 Fuel System Improvements	\$ 55,000	\$ (454)	\$ 54,546
		13131 PS	Construction 2008 Perimeter Fence Security Improvements	\$ 400,000	\$ -	\$ 400,000
		33587 PS	Construction 2009 Joint Pavement Sealing - Phase I	\$ 55,000	\$ -	\$ 55,000
		33588 PS	Construction Concourse G Expan. Site Prep. BP#3 - Site Stabilization	\$ 100,000	\$ -	\$ 100,000
		33594 PS	Construction 2009 Taxiway P Reconstruction	\$ 120,000	\$ (186)	\$ 119,814
		33596 PS	Construction Runway 12L/30R: CenterPoint Gas	\$ 35,000	\$ (3,180)	\$ 31,820
		33602 PS	Construction 2009 Miscellaneous Construction - UPS Lights	\$ 20,000	\$ -	\$ 20,000
		33603 PS	Construction Runway 12L Sanitary Sewer Replacement	\$ 70,000	\$ (11)	\$ 69,989
		33604 PS	Construction 2009 Miscellaneous Construction - Taxiway T Signage	\$ 20,000	\$ (45)	\$ 19,955
		33615 PS	Construction Runway 12L/30R Runway Status Lights (RWSL) - Phase 1	\$ 35,000	\$ (32)	\$ 34,968
		33633 PS	Construction 2009 Airside Bituminous Construction	\$ 45,000	\$ (260)	\$ 44,740
Total:				\$ 16,665,769	\$ (2,173,143)	\$ 14,492,626

PSA Five Year Summary

Vendor Name	2005	2006	2007	2008	2009	Total
ADVANCED STRATEGIES INC	0	0	0	0	37,872	37,872
AIRPORT BUSINESS SOLUTIONS/TAMPA, FL	24,163	20,313	10,335	2,500	0	57,311
AIRPORT CONSULTING INC	0	0	38,481	0	0	38,481
ALIVE PROMO	0	0	0	0	24,750	24,750
AMHERST WILDER FOUNDATION	34,400	0	0	0	0	34,400
AMX INTL	16,579	0	0	0	0	16,579
ANDERSON PHOTOGRAPHY, TERRY	27,403	21,598	36,645	33,981	17,456	137,083
ANDERSON, SONJA	0	0	0	4,994	950	5,944
AON CONSULTING INC	0	0	25,000	48,000	40,000	113,000
ARCHITECTURAL ALLIANCE	4,636,169	2,450,271	2,258,330	5,082,889	7,866,867	22,294,526
ARROWHEAD HOSPITALITY GROUP LLC	5,000	0	0	0	0	5,000
ASSOCIATED CLINIC OF PSYCHOLOGY	2,500	0	0	0	0	2,500
AUGUST ASH INC	0	0	0	21,600	4,431	26,031
AVIATION SYSTEMS CONSULTING SVCS LLC	0	0	0	0	11,635	11,635
BALLARD, LOWELL DBA CALIBER KENNELS	0	0	0	47,126	60,792	107,918
BERGLY, PAUL INC	2,000	0	-392	0	0	1,609
BERKLEY RISK ADMINSTRS CO LLC/PS USE	22,042	23,536	12,327	0	0	57,905
BESTMARK INC	19,855	40,612	46,263	38,560	49,809	195,098
BIG INK	0	0	0	24,771	0	24,771
BKD LLP	0	0	0	0	19,911	19,911
BLOOMBERG & PODPESKAR	35,836	31,493	26,620	14,234	22,858	131,040
BORDNER AERIALS INC	2,097	2,488	9,797	4,324	0	18,706
BRAUN INTERTEC CORP/1001 HAMPSHIRE AVE	10,375	16,363	0	0	0	26,738
BRIGGS & MORGAN PA	6,874	217,985	497,716	216,745	44,772	984,092
CAPPS COMPANIES INC	41,125	49,899	48,918	48,843	46,265	235,050
CARMICHAEL LYNCH SPONG	0	0	7,280	0	0	7,280
CEE/CENTER FOR ENERGY & ENVIRONMENT	975,712	393,160	107,298	1,561,728	2,291,065	5,328,962
CENTER FOR AIRPORT MGMT, THE	79,942	42,035	0	0	0	121,977
CHANDLER GROUP EXECUTIVE SEARCH	10,000	45,414	23,733	26,244	0	105,391
CHASE, MICHAEL B	15,040	0	0	0	0	15,040
CLEVER ELEPHANT SOLUTIONS	0	0	0	5,060	0	5,060
CLIENTEK	0	0	2,000	33,600	14,450	50,050
COLLIER COMPUTING CO INC	0	0	2,100	5,610	4,984	12,694
COMPUTER ACCESS LLC	8,250	6,100	4,975	4,200	3,975	27,500
CRESA PARTNERS	7,475	0	0	0	0	7,475
CUTHBERT DESIGN, MAUREEN	0	0	0	9,942	2,315	12,257
DALY, LEO A	47,765	8,488	24,790	41,017	0	122,061
DAVIS, JEFF	0	0	0	2,400	0	2,400

PSA Five Year Summary

Vendor Name	2005	2006	2007	2008	2009	Total
DELANEY, EDWARD	1,496	1,579	585	0	0	3,660
DELOITTE & TOUCHE	97,835	115,000	182,000	173,223	162,341	730,399
DELTA AIR LINES INC/DEPT A1130/EAGAN	0	0	0	0	782,365	782,365
DENOVO VENTURES LLC	0	0	108,095	1,820,264	541,890	2,470,249
DEPFA - FIRST ALBANY CAPITAL	264,214	362,441	0	127,535	0	754,191
DEZINNIA INC	0	0	0	0	4,000	4,000
DIMENSIONS INTRNTL (technical matters)	19,992	0	0	0	0	19,992
DUNHAM/50 S 6TH ST	0	0	1,885	0	0	1,885
DYMAX ENGINEERING	0	40,000	0	10,904	40,000	90,904
DYRHAUG, GREG	0	0	0	48,945	49,120	98,065
EGAN, WILLIAM ESQ	16,039	0	0	0	0	16,039
ENVIRONMENTAL LAW GROUP	308,393	922,514	704,832	74,743	176,130	2,186,613
ENVIRONMENTAL TECTONICS CORP/ETC	0	0	0	0	7,400	7,400
ERA SYSTEMS CORP	0	0	0	80,000	280,000	360,000
ESP SYSTEMS PROFESSIONALS INC	0	0	0	50,586	0	50,586
EXECUTRAIN OF MN/PO BOX 19158	0	11,450	18,450	0	0	29,900
EXT JS	0	0	0	3,300	0	3,300
FAA/FEDERAL AVIATION ADMIN/ACCTNG OFFICE	47,637	0	0	0	0	47,637
FAEGRE & BENSON	1,010,286	764,591	899,075	604,497	777,478	4,055,926
FAHEYS CONSULTANTS	600	0	0	0	0	600
FAITH GROUP LLC	102,415	45,741	122,175	409,115	557,701	1,237,146
FELLOWS, ROBERT C	2,000	0	0	0	0	2,000
FIELD ENVIRONMENTAL CONSULTING	0	0	11,200	0	3,108	14,308
FISHNET SECURITY	0	0	0	20,650	39,835	60,485
FRASCA & ASSOCS	0	26,403	0	0	0	26,403
G&T CONVEYOR CO INC	0	15,944,551	10,192,599	0	3,427,965	29,565,115
GARVEY, DEBORAH M DBA GARVEY COMMS	7,862	11,078	0	0	0	18,940
GATEKEEPER SYSTEMS INC	8,989	4,330	1,130	0	0	14,449
GATEWAY GROUP ONE	0	0	0	0	35,243	35,243
GENEVIEVE HAUDRICOURT	0	0	0	0	1,900	1,900
GIS RANGERS LLC	0	4,110	0	0	0	4,110
GLOBANET	0	0	0	0	9,424	9,424
GREENE & ESPEL	7,764	57,767	5,216	104,338	205,151	380,237
GRESS, KAREN	0	0	0	1,058	1,436	2,493
HAINES, STEVEN	0	0	0	5,716	0	5,716
HANGER, DANIEL	0	0	0	10,000	0	10,000
HANTHO FARMS LLC/CHARLES GLOSSOP	27,983	28,405	24,885	24,993	23,920	130,185

PSA Five Year Summary

Vendor Name	2005	2006	2007	2008	2009	Total
HARRIS MILLER & HANSON INC	5,000	5,000	15,000	25,000	25,000	75,000
HARRIS, ANDREW S INC	7,590	5,405	0	0	0	12,995
HASSENSTAB, DON	1,875	1,841	1,406	1,469	1,099	7,690
HEALTH ACTIVATION SERV AIRPORT CLINIC	0	0	0	0	7,063	7,063
HESS ROISE	0	0	5,654	0	0	5,654
HEY MAN PRODUCTIONS	0	47,070	2,627	12,673	0	62,371
HNTB/HOWARD NEEDLES TAMMEN & BERGEN-MPLS	3,698,404	3,195,581	2,875,618	2,622,395	1,741,899	14,133,897
HONEYWELL TECHNOLOGY SOLUTIONS	0	21,000	21,735	0	0	42,735
HOSCH APPRAISAL & CONSULTING LLC	20,000	0	0	0	0	20,000
HRUPEK DESIGN	6,850	3,825	14,747	0	0	25,422
IBI GROUP	0	0	0	135,000	330,000	465,000
IIA/INSTITUTE OF INTERNAL AUDITORS/ITC	0	1,000	0	0	0	1,000
INFRARED CONSULTING INC	17,380	2,500	0	0	0	19,880
INSPEC INC	0	0	12,000	14,000	19,307	45,307
INTERVISTAS COUNSULTING LLC	49,711	137,033	224,362	219,741	64,484	695,332
INVER GRV HGTS ANIMAL HOSPITAL	7,798	10,573	13,370	12,938	3,920	48,600
IRISH & ASSOCS INC	0	48,000	0	36,000	48,000	132,000
JACOBS CONSULTANCY INC	86,015	124,929	47,753	44,852	69,210	372,760
JEFFERIES & CO INC	0	0	0	0	173,287	173,287
JESSON & PUST PA	9,520	0	0	0	0	9,520
JOHNSON CONSULTING	525	0	0	450	0	975
KAPLAN PROFESSIONAL SCHOOLS	0	11,920	11,920	5,960	0	29,800
KERN CONSULTING	0	0	0	0	21,691	21,691
KIMLEY HORN & ASSOC INC/ST PAUL	2,817,094	4,315,883	3,891,217	4,025,371	2,158,233	17,207,799
KKE ARCHITECTS	23,956	0	0	0	0	23,956
KRAUS ANDERSON CONSTR CO/MPLS	2,558,874	2,406,933	2,453,495	2,030,628	2,113,459	11,563,387
KRAUS ANDERSON CONSTR CO/ST PAUL	21,587	0	5,832	0	0	27,420
KROLL ONTRACK	0	0	0	0	65,397	65,397
KUTAK ROCK LLP	195,500	21,955	309,681	257,259	188,200	972,594
LIESCH ASSOCS INC	1,185,540	910,707	1,246,703	1,330,521	1,124,813	5,798,284
LILA KELLY ASSOCS	300	0	0	0	0	300
LITTLER & MENDELSON	182,702	253,819	345,467	285,613	13,905	1,081,506
LOCHARD CORP	20,000	20,000	20,000	0	0	60,000
MARSH, THE/IA CENTER FOR BALANCE & FITNESS	0	2,168	0	0	0	2,168
MARTIN ASSOCS	8,500	0	0	0	0	8,500
MCGRANN SHEA CARNIVAL STRAUGHN & LAMB	45,000	48,000	48,000	60,750	55,981	257,731
MDA LEADERSHIP CONS	0	0	0	4,588	8,006	12,594

PSA Five Year Summary

Vendor Name	2005	2006	2007	2008	2009	Total
MEYER, BORGMAN & JOHNSON INC	0	0	0	9,281	0	9,281
MICHAUD COOLEY ERICKSON	67,685	278,570	188,386	86,671	245,725	867,036
MIDWAVE	0	0	5,438	8,400	0	13,838
MILLER DUNWIDDIE	5,704,241	2,336,060	1,356,563	1,575,213	2,535,214	13,507,292
MILLS & ASSOCS, WILLIAM	0	0	9,000	0	0	9,000
MINNESOTA RENEWAL CENTER	0	0	0	750	2,125	2,875
MN, UNIVERSITY OF/200 OAK ST SE #450	70,000	63,908	73,092	3,510	0	210,510
MOEN, CHRISTINE DBA PIT PRODUCTIONS	26,277	25,618	30,738	29,804	16,771	129,209
MOORE & PROKOP INC DBA MOORE POTENTIAL	500	0	0	0	0	500
MORIARTY, SUZANNE	24,483	27,625	35,114	34,705	9,362	131,289
NORTH AMERICAN HYDRO	0	0	15,050	0	0	15,050
NUTRITIONAL WEIGHT & WELLNESS	1,250	3,075	0	0	0	4,325
OBTUSE SOFTWARE LLC	0	0	0	0	5,625	5,625
OCCUPATIONAL MEDICINE CONS/NT/6515 BARRI	15,397	18,416	13,270	7,883	1,045	56,010
OCONNOR & WALTER	2,560	2,850	2,850	2,850	2,850	13,960
OPPENHEIMER WOLFF & DONNELLY	381,460	1,081,029	704,668	337,171	126,734	2,631,062
PADILLA SPEER BEARDSLEY	436,185	174,918	272,996	480,767	506,574	1,871,440
PARK NICOLETT CLINIC	31,868	13,025	22,653	21,869	74	89,488
PERFORMANCE SOLUTIONS	12,724	24,684	12,582	1,800	0	51,790
PRO STAFF	0	0	0	11,180	0	11,180
PRO-TEC DESIGN INC/5005 CHESHIRE LN N	0	2,657,321	13,751	620,406	-113,821	3,177,657
RAZR MARKETING INC	0	0	12,420	0	0	12,420
REFRACTIONS RESEARCH INC	0	1,700	0	0	0	1,700
RENNE, J SCOTT	0	0	1,500	0	0	1,500
RIGHTER, DAVID	1,493	1,740	1,595	1,289	716	6,833
ROGERS & CO PC	11,515	0	0	0	0	11,515
ROLLEY MARKETING SVCS, LEAH	17,530	15,786	22,075	20,564	6,348	82,303
SANDALEY GROUP LLC	7,420	0	0	24,940	23,600	55,960
SAUBER, MARION/1520 THOMAS LAKE RTE RD	0	0	0	431	465	896
SCHOCK, W D	672,112	564,991	334,065	44,087	49,987	1,665,242
SCHUNA GROUP INC	0	0	0	25,134	21,360	46,494
SEH/SHORT ELLIOTT HENDRICKSON INC	907,114	1,061,120	526,911	1,575,267	2,054,726	6,125,139
SELMER & ASSOC, JAMES	0	0	0	13,738	202	13,941
SH&E/CAM	0	27,008	2,993	0	0	30,000
SHENEHON CO	37,805	16,125	0	0	0	53,930
SHEREN, JOHN	615	480	1,654	1,260	1,013	5,021
SHI	7,961	0	0	0	0	7,961

PSA Five Year Summary

Vendor Name	2005	2006	2007	2008	2009	Total
SPIEGEL & MCDIARMID	193,656	131,226	299,731	129,534	132,928	887,075
SPRINGSTED PUB FINANCE ADVISORS	2,000	2,000	2,000	2,100	2,100	10,200
SRF CONSULTING GROUP INC	308,656	12,858	0	0	0	321,514
ST PIERRE ASSOC LLC	0	0	0	0	4,000	4,000
STRATECH CONSULTING INC	0	0	0	0	48,900	48,900
SYNERGY ADVISORS CORP	0	4,894	0	0	0	4,894
SYNTAX	0	0	-703	0	0	-703
TADSEN RON	1,680	1,583	1,455	1,547	1,489	7,754
TASC MGMT CONSULTING LLC	1,200	0	0	0	0	1,200
THE DATA RECVY GUY LLC	0	0	0	3,787	4,099	7,886
THE VALUATION GROUP INC	0	0	0	0	11,000	11,000
THOMSEN & NYBECK	103,120	100,401	136,265	153,461	101,372	594,619
TKDA	6,913,961	5,090,063	5,129,548	4,219,259	3,296,386	24,649,217
TRISSENTIAL	0	0	0	0	13,931	13,931
TURNER, JENNETTE	0	0	0	1,522	0	1,522
TUSHIE MONTGOMERY ARCHITECTS	23,899	0	30,719	0	0	54,619
URS CORPORATION	951,708	66,357	5,643	3,337	621	1,027,667
US DEPT OF AGRICULTURE/APHIS/WS	60,000	124,984	80,545	158,555	124,984	549,067
VAN IWAARDEN ASSOCS	13,888	14,284	0	12,379	9,424	49,975
VDA (FORMERLY VAN DEUSEN & ASSOCS)	94,198	97,570	78,661	107,005	133,104	510,538
VIGNIERI COMMS	15,000	3,990	0	0	0	18,990
WARD, RICHARD	32,058	30,835	25,951	24,176	9,579	122,599
WENCK ASSOCS INC	23,304	59,447	106,443	115,520	90,972	395,687
WOLFE, HARRY	35	0	0	0	0	35
Z PULLEY INC	0	0	0	3,570	0	3,570
ZUCKER, CAROLYN	0	40	3,793	0	0	3,833
Report Totals:	36,100,386	47,441,437	36,580,345	31,848,164	35,406,103	187,376,435

MEMORANDUM

ITEM 2

TO: Management & Operations Committee

FROM: Rebecca A. Zwart (612-726-8197)
Assistant Manager Concessions and Business Services

SUBJECT: AWARD OF SPECIALTY RETAIL PROPOSAL - PUBLIC MEMO

DATE: June 25, 2010

At its March 15, 2010 meeting, the Commission authorized staff to issue a Request For Proposals (RFP) for a specialty retail operator for Terminal 1–Lindbergh. MAC issued the RFP on March 25, 2010, advertising the opportunity in the following publications: AAAE-Airport Report (Airport Report Today, Aviation News Today), ACI-NA, Airport Revenue News, Airport Minority Advisory Council, The Bidder's Compendium, and the Minneapolis/St. Paul Business Journal. On April 14, 2010, seven companies attended a pre-bid conference to learn more about the specialty retail concession opportunity. On May 27, 2010, five proposals were received in response to the RFP from the following entities: Marbles LLC; Melshire DFW, L.P., d/b/a Natalie's Candy Bar; St. Croix Airport Retail, Inc.; Studio Sterling Works, Inc.; and The Swatch Group (U.S.) Inc.

Summary of Recommendation

This public memo will address (a) the Minnesota Data Practices Act, (b) the RFP requirements, (c) the Review Team evaluation process, (d) scoring of Proposals, and (e) recommendation of award to Sterling Works, Inc.

Minnesota Data Practices Act

Under state law, information submitted by Proposers to MAC and information created or maintained by MAC as part of the evaluation process remains not-public until MAC has completed negotiating the contract with the selected Proposer(s). The names of the Proposers, however, are public once the proposals are opened. Information contained in the proposals and the Not Public Memorandum is not public and should not be disclosed to anyone other than MAC Commissioners and staff. Notwithstanding the foregoing, Commissioners may discuss the information contained in the proposal(s) or the Not Public Memorandum at the Committee and Commission meetings to the extent reasonably necessary to conduct the business at hand. The information contained in this memorandum is public data.

I. BACKGROUND INFORMATION

The concessions department was looking for a specialty retail concept for the current Tie Rack location in the Airport Mall. The Tie Rack Lease Agreement entered into holdover status on April 1, 2010. Sales for Tie Rack have declined significantly over the past few years and Staff believed that it was time to seek out a specialty retail store that would offer retail products that fit the desires of today's traveling public. Staff asked Proposers to propose a specific retail concept, taking into account the current tenant mix at MSP.

II. SUMMARY OF KEY BUSINESS TERMS

The following key business terms were approved by the Commission for this RFP:

- A. The term is five (5) years.
- B. The Monthly Guaranteed rent shall be fixed at seven thousand five hundred dollars (\$7,500) and the percentage of gross revenue rent shall be bid by the proposer. Monthly rent to MAC shall be the greater of the Monthly Guaranteed rent (\$7,500) or the percentage of the month's gross revenues. MAC would be guaranteed at least ninety thousand dollars (\$90,000) annually.
- C. The specialty retail concession is subject to a maintenance, cleaning and distribution services fee and a utility charge to offset MAC's costs for water, electricity, and HVAC.

III. MINIMUM REQUIREMENTS

Proposers were to meet the following minimum requirements, as set forth in the RFP:

- A. Provide required proposal deposit of \$5,000.
- B. Have at least one (1) year of continuous experience directly related to at least one service proposed.
- C. Provide three (3) trade and one (1) bank reference.
- D. Be authorized to do business in the state of Minnesota.
- E. Have no pending, active or previous legal action that would, in MAC's sole judgment, prevent the proposer from fulfilling terms of the Agreement.
- F. Provide a complete proposal as specified in the RFP.

IV. EVALUATION CRITERIA

Each proposal was evaluated and scored by the Review Team based on the following criteria:

Category Points	Maximum
A. Minimum Requirements Information demonstrating that proposer meets minimum requirements, including proposal deposit, bank references, operating experience, completeness, format and content.	Pass/Fail
B. Merchandising, Concept and Design Information provided in sufficient detail to clearly define the proposed concept, products, and theme for the location and to allow it to be distinguished from other tenants at the Humphrey Terminal.	500 points
C. Management and Operations Plan Information provided in sufficient detail to allow MAC to evaluate the Proposer's management structure, operations plan, and ability to carry out the plan.	300 points
D. Financial Plan Information provided in a Proforma Operating Statement for the proposed unit which indicates the Proposer's projected gross sales and expenses.	300 points

E. DBE Plan

200 points

Information provided that clearly identifies how the company plans to involve Airport Concessionaire Disadvantaged Business Enterprise (ACDBE) firms in the operations or business organization related to operating the retail merchandising unit (RMU).

Total: 1,300 points

V. REVIEW TEAM

The Review Team consisted of the following MAC staff:

John Greer, Assistant Director, Concessions and Business Services
Becky Zwart, Assistant Manager, Concessions and Business Services
Alan Howell, MAC Architect
Phil Burke, Assistant Airport Director, Facilities
Anita Bellant, Diversity Manager

Additionally, as non-scoring advisors, the Review Team was supported by:

Ed Podnieks, Manager, Financial Analysis & Business Planning
Joe Anderson, Manager, New Business Development
Cameron Boyd, Staff Attorney

VI. PROPOSAL REVIEW PROCESS/RESULTS

The Review Team members independently reviewed the five (5) proposals received. The Review Team then met to collectively discuss and evaluate the proposal. Based on the complete analysis, the Review Team scored the Proposals as follows:

Marbles, LLC	1,025
Melshire DFW, L.P., d/b/a Natalie's Candy Bar	1,034
St. Croix Airport Retail	1,009
Studio Sterling Works, Inc.	1,192
The Swatch Group (U.S.), Inc.	673

VII. REVIEW TEAM RECOMMENDATION

It is the Review Team's unanimous recommendation that Studio Sterling Works, Inc. be selected to operate the specialty retail concession at Terminal 1-Lindbergh.

COMMITTEE ACTION REQUESTED:

THAT THE MANAGEMENT AND OPERATIONS COMMITTEE RECOMMEND TO THE FULL COMMISSION:

1. AWARD OF THE SPECIALTY RETAIL CONCESSION AGREEMENT TO STUDIO STERLING WORKS INC. D/B/A NATURAL ELEMENT;
2. AUTHORIZATION TO NEGOTIATE FINAL AGREEMENTS AND RELATED DOCUMENTS WITH STERLING WORKS, INC.; AND
3. AUTHORIZATION FOR THE EXECUTIVE DIRECTOR OR A DESIGNEE BE AUTHORIZED TO EXECUTE THE NECESSARY DOCUMENTS.

MEMORANDUM

ITEM 3

TO: Management & Operations Committee

FROM: Bruce Rineer, Assistant Manager, Concessions and Business Development (612-467-0511)

SUBJECT: **REQUEST FOR AUTHORIZATION TO DIRECTLY NEGOTIATE AN AGREEMENT WITH REDBOX AUTOMATED RETAIL, LLC. FOR DVD RENTAL AND USED DVD SALES**

DATE: June 25, 2010

BACKGROUND INFORMATION

In July 2009 Staff requested authorization to directly negotiate with Redbox for the placement of three (3) Redbox automated Kiosks at MSP. Staff received authorization and began negotiating with Redbox. The areas initially identified by Staff for the placement of the kiosks included two (2) units in the Terminal 1 rental car area and one (1) unit at the Terminal 2 rental car area. It was thought that the placement of units in those areas would drive incremental revenue to the rental car companies by allowing them a better opportunity to rent additional items such as DVD players to travelers renting cars. However, passenger volumes were down and there was not enough passenger or employee traffic in those areas to support three Redbox units. Negotiations with Redbox were put on hold for one year in order give Redbox and Staff the opportunity to review the current economic situation and adjust the locations.

Redbox Automated Retail, LLC ("Redbox") is a company that was developed by McDonalds in 2001 to rent and sell DVD's out of an automated kiosk. In 2005 Coinstar purchased Redbox from McDonalds and expanded the Redbox program into supermarkets, drug stores, and convenience stores. There are over 22,000 Redbox kiosks in operation. Redbox rents the latest popular movies and updates rentals with new releases every Tuesday. The cost for rentals out of the kiosk is \$1.00 per night. Movies can be returned to any Redbox location with no late fees. After 25 days if the movie is not returned, the credit card used to rent the movie is charged \$25.00 and the movie is now owned by the person who rented it. Used movies can also be purchased from the kiosk for \$7.00.

The Redbox program is expanding to airport markets. Twelve airports currently have Redbox kiosks. They are Nashville, St. Louis, Milwaukee, Grand Rapids, Indianapolis, Colorado Springs, Cincinnati, Boston, Houston (George Bush and Hobby), Atlanta and Raleigh-Durham. Redbox is in the process of installing units in Baltimore, Newark, and Philadelphia airports. Redbox is in talks with 20 other airports around the U.S.

Under the Blue Ribbon Panel recommendations contained in the policy on Awarding Concession Agreements (Policy #10001), MAC should consider a number of factors to determine whether a concession should be awarded through a request for proposals, a bid process, or be directly negotiated. These factors include, but are not

limited to, type of business opportunity, number of interested parties, maximizing revenue to MAC, current economic conditions, customer service, and level of investment required by a new or existing concessionaire. Redbox has 88% of the market share for DVD kiosk rentals. The competitors to Redbox are Movie Cube and DVD Play. Although these competitors are located in some areas of the Twin Cities and other locations, their network is far less expansive than Redbox and is tailored to local rentals. Redbox is well established throughout the Twin Cities with locations in many McDonalds, Wal-Mart, Festival Foods, Holiday Gas Stations and Cub Foods establishments. Redbox is the largest provider of DVD rental kiosks in the industry with locations nationwide. These locations are all available for travelers to access the Redbox system by renting a DVD in one location and returning it to any Redbox location nationwide. Customer service to the traveler is enhanced by having Redbox installed at MSP due to the availability of the traveler to rent a movie at MSP and return it to many locations locally, as well as nationally.

Based on their position and percent market share, staff requests authority to conduct direct negotiations with Redbox.

II. SUMMARY OF KEY BUSINESS TERMS

- A. The term of the Redbox Agreement shall be one (1) year with two (2) one year options at MAC's sole discretion.
- B. Concessionaire shall pay, as rent to MAC, thirteen percent (13%) of the gross revenue for each year of the Term.
- C. Locations: Terminal 1 Blue/Red Parking-Second Level (Avis, Hertz), Terminal 1 Entrance To F Concourse, Terminal 1 Tram Level, and Terminal 2 Alcove By Gate H7.

COMMITTEE ACTION REQUESTED:

THAT THE MANAGEMENT AND OPERATIONS COMMITTEE RECOMMEND TO THE FULL COMMISSION THAT STAFF BE AUTHORIZED TO DIRECTLY NEGOTIATE A CONCESSION AGREEMENT WITH REDBOX AUTOMATED RETAIL AS OUTLINED HEREIN; AND THAT THE EXECUTIVE DIRECTOR OR A DESIGNEE BE AUTHORIZED TO EXECUTE THE NECESSARY DOCUMENTS.

MEMORANDUM

ITEM 4

TO: Management & Operations Committee

FROM: Paul Sichko, Assistant Director / MSP Operations
Maintenance and Airside Operations (612.794.4381)
JoAnn Brown, Buyer (612.726.8146)

SUBJECT: **RECOMMENDATION REGARDING SODIUM CHLORIDE (ROAD SALT) PROCUREMENT**

DATE: June 16, 2010

Per MAC policy for purchases in excess of \$50,000, staff is seeking Commission authorization to purchase sodium chloride (road salt). As a member of the Cooperative Purchasing Venture (CPV) Program as established by Minnesota State Statute §471.345, subdivision 15, the MAC is eligible to acquire this chemical under state contract. The contract for sodium chloride is currently held by Morton Salt, at a contracted price of \$60.18 per ton. The 2009 price was \$59.00 per ton. Average use the past few winters has been in the 900-1,000 ton range.

COMMITTEE ACTION REQUESTED:

THAT THE MANAGEMENT AND OPERATIONS COMMITTEE RECOMMEND TO THE FULL COMMISSION APPROVAL TO PROCURE SODIUM CHLORIDE (ROAD SALT) FOR THE 2010-2011 SEASON FROM MORTON SALT, AND AUTHORIZE THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO EXECUTE THE NECESSARY DOCUMENTS.

MEMORANDUM

ITEM 5

TO: Management & Operations Committee

FROM: Paul Sichko – Assistant Director - MSP Operations
Airside & Maintenance (612-794-4381)
JoAnn Brown, Buyer (612.726.8146)

SUBJECT: RECOMMENDATION REGARDING LIQUID DEICER BIDS

DATE: June 16, 2010

In June 2009, bids were solicited for a three-year contract to provide the MAC with liquid deicer chemical (potassium acetate). Due to market volatility, vendors were reluctant to enter into multiple-year agreements. The MAC then advertised and awarded a one-year contract. The market is still holding to one-year agreements and, therefore, bids were solicited to provide the MAC with liquid deicer for the upcoming winter season. Four competitive bids were received and opened on June 2, 2010, as indicated in the following bid tabulation:

<u>Vendor</u>	<u>Bid Amount</u>
Cryotech Deicing Technology	\$4.395/gallon
Octagon Process LLC	\$4.45/gallon
Old World Industries	\$4.59/gallon
Seneca Mineral Company	\$4.33/gallon

Uninterrupted base chemical supply and lower transportation costs resulted in bids more favorable than last year. Pricing is comparable to bids received by other large hub airports. Although down from \$5.49/gallon last year, current market prices are still 75% higher than the contract that expired two years ago. Seneca Mineral Company submitted the lowest bid of \$4.33 per gallon. Staff has reviewed the bids and concludes that Seneca Mineral Company is the lowest responsible bidder and recommends acceptance of the bid.

COMMITTEE ACTION REQUESTED:

THAT THE MANAGEMENT AND OPERATIONS COMMITTEE RECOMMEND TO THE FULL COMMISSION ACCEPTANCE OF THE LOWEST RESPONSIBLE BID FROM SENECA MINERAL COMPANY, AND AUTHORIZE THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO EXECUTE THE NECESSARY DOCUMENTS.

MEMORANDUM

ITEM 6

TO: Management and Operations Committee

FROM: Dave Ruch, Director Information Systems (612 726-8168)
Commander Mike Everson, Airport Police (612 726-5007)

SUBJECT: REQUEST TO APPROVE ANNUAL MAINTENANCE COSTS FOR THE SECURED AREA ACCESS CONTROL SYSTEM

DATE: June 24, 2010

This is a request to approve the renewal of the annual maintenance and support agreement with Honeywell for the Secured Area Access Control System (SAACS).

MAC acquired its Secured Area Access Control System in 2005 following a Request for Proposals process. The vendor selected was Honeywell and its ProWatch system. This system is sold through a re-seller; in this case Pro-Tec Design Inc. of Plymouth MN. The MAC has support agreements with both companies: Honeywell supports the ProWatch software, and Pro-Tec Design Inc. provides on-site ProWatch system support.

The Honeywell agreement provides the MAC with periodic software upgrades for the ProWatch system as well as access to expertise to address technical problems with the software. Problems that require system modifications in order to correct the issue are also included. Honeywell staff comes on site annually to review the ProWatch installation and its performance followed by any steps necessary to optimize the MAC's system. MAC staff receives annual training as part of the agreement as well.

Honeywell is the sole source for this agreement since ProWatch is a proprietary product. The renewal cost is \$ 75,000. Funds for this have been included in the 2010 budget.

COMMITTEE ACTION REQUESTED:

THAT THE MANAGEMENT AND OPERATIONS COMMITTEE RECOMMEND TO THE FULL COMMISSION THAT THE AIRPORT POLICE DEPARTMENT BE AUTHORIZED TO RENEW THE PROWATCH SYSTEM SUPPORT AGREEMENT WITH HONEYWELL FOR A COST OF \$ 75,000.00, AND THAT THE EXECUTIVE DIRECTOR OR A DESIGNEE BE AUTHORIZED TO EXECUTE THE NECESSARY DOCUMENTS.

MEMORANDUM

ITEM 7

TO: Management & Operations Committee

FROM: Eric Johnson, Director Commercial Management & Airline Affairs (612-725-8322)
Karen Kelly, Assistant Manager, Airside Leasing & Tenant Relations (612-467-0514)

SUBJECT: **PUBLIC HEARING TO AMEND ORDINANCE 109 – RENTAL AUTO FACILITY CHARGE**

DATE: June 28, 2010

On June 21, 2010, the Commission granted authority to hold a public hearing to amend MAC Ordinance 109 and appointed the Management & Operations Committee to serve as hearing officers. Ordinance 109 governs the collection of a Rental Auto Facility Charge (RAFC) at the airport.

Background

The Commission has the authority to establish fees for use of and benefit of airport facilities. In July 1998, the Commission adopted a RAFC Ordinance that established a uniform per-day charge for on-airport rental auto customers to pay for costs of airport rental auto facilities. The RAFC enabled the Commission and the Rental Auto Companies to provide convenient, on-airport facilities for the traveling public as part of the public parking structure or in other airport locations as determined by the Commission.

In December 2009, the Commission adopted Ordinance 109 maintaining the uniform per-day charge for on-airport rental auto customers to pay for costs of airport rental auto facilities. Ordinance 109 extended the term of the RAFC and added apportioned tram maintenance and other qualifying improvement costs.

The Business Terms under the new Rental Auto Agreement approved by the Commission on June 21, 2010 included the request for authorization to hold a public hearing to amend Ordinance 109. Based on projections, the debt service currently associated with the rental auto facilities in the Terminal 1 parking ramp are projected to be paid off on or about December 31, 2010. In order to treat Terminal 1 and Terminal 2 equitably, the proposed Ordinance would add into the RAFC the pro rata share of the total debt service associated with the ground level of the Terminal 2 ramp and ground transportation building currently leased to on-airport rental auto operators using the same 2% capital reduction model calculation previously used for Terminal 1. Additionally, the Industry had asked MAC to amend the RAFC to include the collection of a credit toward operation and maintenance expenses associated with the auto rental facilities until such time as the costs associated with the debt service for the proposed new Terminal 2 expansion is determined. If, at any time, the RAFC exceeds the comfort level of MAC or the industry standard for RAFC collection amounts, MAC reserves the right to adjust or rescind the credit for operation and maintenance expenses. Currently, this credit would total approximately \$793,000 based on 2010 Terminal 1 building rental rates and would be adjusted annually.

Proposed Ordinance Amendment

Proposed changes to the ordinance are shown in the redlined draft attached to this memo. The changes include:

- Funding the apportioned cost of the auto rental facilities at Terminal 2-Humphrey, along with costs associated with construction of a consolidated rental auto facility at Terminal 2-Humphrey, upon satisfaction of the Terminal 1-Lindbergh apportioned auto rental facilities debt, anticipated to occur on or around December 31, 2010.
- A revocable credit towards the operation and maintenance expenses associated with the auto rental facilities at Terminal 1-Lindbergh.

Public Hearing

A public hearing will be held at the July Management & Operations Committee meeting. Notice of the public hearing was provided to all the rental auto companies, the Attorney General's Office, the Minnesota Office of Tourism, the Chambers of Commerce of Minneapolis, St. Paul, and Bloomington, as well as the Convention and Visitors Bureaus of Minneapolis, St. Paul, and Bloomington. Public testimony will be taken. Written comments may also be submitted until 4:00 p.m. Friday, July 9, 2010. No action will be taken at the hearing. After taking all of the testimony into consideration, the ordinance will be brought back to a subsequent meeting for Commission action.

ATTACHMENTS:

- Draft of the Rental Auto Facility Charge Ordinance

METROPOLITAN AIRPORTS COMMISSION

ORDINANCE No. ____

RENTAL AUTO FACILITY CHARGE (RAFC)

**Adopted by Commission:
Effective Date: November 1, 2010**

METROPOLITAN AIRPORTS COMMISSION

ORDINANCE NO. ____

RENTAL AUTO FACILITY CHARGE (RAFC)

An Ordinance to promote and conserve the public safety, health, peace, convenience, and welfare; to establish uniform fees for on-Airport rental auto Customers to fund rental auto facilities at Minneapolis-St. Paul International Airport consistent with Minnesota Statutes § 473.651; establishing payment procedures; and prescribing the penalty for violation thereof and amending Ordinance 88.

The Metropolitan Airports Commission does ordain:

SECTION 1 – DEFINITIONS

- 1.1 Airport. Minneapolis-St. Paul International Airport, Wold-Chamberlain Field, a public airport operated by the Metropolitan Airports Commission and located in Hennepin County, Minnesota.
- 1.2 Commission. The Metropolitan Airports Commission, a public corporation organized and operating pursuant to Chapter 500, Laws of Minnesota 1943 and amendments thereto.
- 1.3 Customer. Any person that rents a motor vehicle from a Rental Auto Company, regardless of whether the Customer receives the vehicle on Airport premises or is shuttled to an off-Airport location. Customer includes any person receiving complimentary or discounted rentals.
- 1.4 Executive Director. The Commission's chief executive officer or a designated representative.
- 1.5 Extraordinary Costs. Costs incurred by MAC or the Rental Auto Companies for improvements to the overall operation of the rental auto facilities. Payment and/or reimbursement of all costs under this ordinance shall be at MAC's sole discretion and shall require Commission approval. Only improvements costing \$50,000 or more shall be eligible to qualify as Extraordinary Costs. Payments made to rental auto companies must be supported by documentation of all costs for goods or services provided by a vendor or contractor, which will be subject to MAC audit review.
- 1.6 Rental Auto Facilities. Costs associated with the facilities dedicated to rental autos located in the Airport parking structures.
- 1.7 Rental Auto Company or Company. Any company that has a lease or concession agreement with the Commission for the purpose of renting vehicles to Customers who originate from Airport property. This Ordinance applies to all of the company's Customers, regardless of whether the company shuttles some Customers to an off-Airport location. This definition applies to any company that

has a lease or concession agreement on the date this Ordinance takes effect, any new entrants from the date they begin on-Airport operations, and any company that meets this definition but later leaves the Airport with respect to any Customers that arrive or depart from the Airport. This Ordinance does not apply to a company that does not have a lease or concession agreement with the Commission and shuttles all its Customers to off-Airport locations. It also does not apply to a company that leases only counter space from the Commission but otherwise shuttles all its Customers to off-Airport locations.

1.8 Rental Auto Facility Charge. A per day charge applicable to all Rental Auto Company Customers.

1.9 Terminal 2-Humphrey Costs. The pro rata share of the total debt service associated with the ground level of the Terminal 2-Humphrey ramp and ground transportation building under lease to Rental Auto Companies, along with costs associated with the construction of a consolidated rental auto facility at Terminal 2-Humphrey.

1.109 Total Bond Costs. The par amount of the series 1998 C taxable bonds issued on June 18, 1998, which include project costs, capitalized interest, bond insurance, underwriter costs, costs of issuance, accrued interest, and contingency costs.

1.110 Tram Maintenance Costs. All costs associated with engineering, material, labor, testing, repairs and inspections needed to operate and maintain the entire APM system.

SECTION 2 – PURPOSE

The purpose of this Ordinance is to impose a uniform per-day charge for on-Airport rental auto Customers to pay for costs of Airport rental car and ancillary Facilities. The Rental Auto Facility Charge enables the Commission and the Rental Auto Companies to provide convenient, on-Airport Facilities for the traveling public as part of the public parking structure or in other Airport locations as determined by the Commission.

SECTION 3 – FINANCING OF RENTAL AUTO FACILITIES

3.1 Rental Auto Facility Charge to Cover Total Bond Costs, Terminal 2–Humphrey Costs and Apportioned Tram Maintenance

The Total Bond Costs, along with costs related to moving into the facility, will be financed with the Rental Auto Facility Charge over 12 years.

After satisfaction of the Total Bond Costs, the Terminal 2-Humphrey Costs will be financed with the Rental Auto Facility Charge.

The Rental Auto Facility Charge will also include that portion of the annual Tram Maintenance Costs assigned to the rental auto industry by the Executive Director.

3.2 Credit for Operating and Maintenance Costs

A credit for that portion of the Terminal 1-Lindbergh building rent attributed to operation and maintenance will be financed with the Rental Auto Facility Charge. This credit may be adjusted or revoked in the Executive Director's sole discretion.

3.3 Payment or Reimbursement of Extraordinary Costs

In addition to the capital costs associated with the Terminal 1-Lindbergh and Terminal 2-Humphrey rental auto facility, the Commission shall pay directly or reimburse the rental auto industry for Extraordinary Costs through money collected as part of the Rental Auto Facility Charge. Extraordinary Costs shall include but not be limited to facility improvements, that in MAC's opinion, improve the overall operation of the facility, any professional consulting costs associated with rebidding the concession agreement or reallocation of leased premises between the companies, new or additional directional/way finding signage, and common area maintenance costs. Extraordinary Costs shall be distributed to each individual Company in one payment, within a reasonable time after submission of the Company's conforming cost statement. MAC reserves the right to audit all costs to determine if the expenditures fall within the definition of Extraordinary Costs and for the correctness of the dollar amount.

SECTION 4 – RENTAL AUTO FACILITY CHARGE

4.1 Collection of Rental Auto Facility Charge

Each Rental Auto Company shall charge and collect the same Rental Auto Facility Charge from all Customers per transaction day. Each 24-hour period or fraction thereof within the rental period shall constitute a transaction day for which the Rental Auto Facility Charge must be charged and collected.

4.2 Designation on Rental Agreement

The Rental Auto Company shall separately designate the Rental Auto Facility Charge on its rental agreement with the Customer. It shall be labeled a "Rental Auto Facility Charge." No other designation with respect to the Rental Auto Facility Charge shall be permitted on the rental agreement without the prior written approval of the Executive Director.

4.3 Amount of Rental Auto Facility Charge and Annual Rate Adjustments

a. Initial Amount

The Rental Auto Facility Charge shall be \$3.25 per rental day beginning on the effective date of this Ordinance through December 31, 2010.

b. Annual Adjustment

Each November, the Executive Director shall recalculate the Rental Auto Facility Charge to be effective January 1 of the following year to recover

an amount equivalent to the remaining portion of the Total Bond Costs and costs related to moving into the facility, after subtracting Rental Auto Facility Charges collected by MAC as of October 31 of the current year using 5.16 percent interest, a 12 year project amortization, and the number of transaction days using the 12-month period ending October 31. The Executive Director shall consider any written comments of the Rental Auto Companies regarding the adjustment, but the Executive Director has the sole and final determination of the amount.

c. Minimum Amount

Notwithstanding anything herein to the contrary, the Rental Auto Facility Charge shall never be less than \$1.00 per rental day.

d. Notice to Rental Auto Companies

The Commission shall provide notice to the Rental Auto Companies by December 1 of each year of the Rental Auto Facility Charge amount calculated according to Section 4.3.b. for the upcoming year. The Commission may waive the December 1 notice date if all Rental Auto Companies do not provide the information required in Section 5.3.b. by the date specified.

4.4 Rental Auto Facility Charge Shortfall or Overage

Any amount of Rental Auto Facility Charges collected in a year that is greater than or less than the amount expended in that year will be factored into the Rental Auto Facility Charge rate for the following calendar year.

SECTION 5 – PAYMENTS AND REPORTS

5.1 Rental Auto Facility Charges Held in Trust

Each Rental Auto Company shall hold the Rental Auto Facility Charges collected in trust for the benefit of the Commission. The Rental Auto Facility Charges are the Commission's property and the Rental Auto Companies acknowledge that they shall have only a possessory interest (not an equitable interest) in such Rental Auto Facility Charges.

5.2 Payments

a. Each Rental Auto Company shall remit electronically each month's Rental Auto Facility Charges to the Commission by the 5th of the following month, or such other date, as the Commission shall notify the Rental Auto Company in writing.

5.3 Reporting Requirements

a. Monthly Reports

Simultaneously with each payment, the Rental Auto Company shall submit electronically to the Commission a report identifying the number of transaction days and the Rental Auto Facility Charges separate from any other payments owed to the Commission. The report shall be in a form acceptable to the Commission.

b. Annual Report

Each Rental Auto Company shall provide an annual report to the Commission by November 10 of each year indicating the amount of Rental Auto Facility Charges collected by the Company for the year ending October 31, the number of transaction days and any other information required by the Commission with respect to Rental Auto Facility Charges. The report shall be in a form acceptable to the Commission.

5.4 Rent and Concession Fees

The Rental Auto Facility Charges collected and remitted to the Commission shall be in addition to any rent and concession fees due to the Commission under agreements between the Rental Auto Companies and the Commission. The Rental Auto Facility Charges shall not be included as part of each Rental Auto Company's gross receipts.

5.5 Audits

In addition to any audit provisions in its lease or concession agreement with the Commission, the Commission has the authority to audit the Rental Auto Company's books and records with respect to Rental Auto Facility Charges at any time upon written notice.

5.6 Late Payment Penalty

For any amounts due under this Ordinance, a Rental Auto Company shall pay a penalty for late or delinquent payments of eighteen percent (18%) per annum on any past due balance calculated from the date the amount is due to the Commission until the close of the business day upon which the delinquent payment is received by the Commission.

5.7 Security Deposit

If a Rental Auto Company defaults on any payments or reports due under this Ordinance and does not cure the default within 10 days of receiving written notice of the default from the Commission, the Commission has the right, by written notice to the Company given at any time within ninety days of such event of default, to impose or reimpose the requirements of this section; however, the Commission may immediately impose the security deposit requirement without

such 10-day notice if the Company is in default for the second time within one calendar year. In such event, the Company shall within 15 days from date of the notice provide the Commission with a security deposit equal to the Company's past three months of Rental Auto Facility Charges in a form acceptable to the Commission. The Company shall maintain the security deposit in effect for 12 consecutive months during which the Company commits no event of default under this Ordinance or in any other payments due to the Commission. The Commission has the right to reimpose this requirement each time the Company commits such an event of default. The Commission's rights under this section shall be in addition to any other rights provided by agreement or by law.

SECTION 6 – TERM

6.1 Term

The Rental Auto Facility Charge shall be in effect for ~~740~~ years from the effective date of this Ordinance.

6.2 Termination of Rental Auto Facility Charge

The Rental Auto Facility Charge shall cease earlier than stated in Section 6.1 on the date the Commission no longer permits use of any of the Facilities for on-Airport rental auto purposes.

If the Rental Auto Company's agreement with the Commission is expired or terminated or the Company abandons the property or the Rental Auto Facility Charge ceases according to the terms of this section, such event does not release the Company from the responsibility for payments and reports due to the Commission for customer transactions prior to the date of that event.

SECTION 7 – GENERAL PROVISIONS

7.1 Penalty

Any person violating any of the provisions of this Ordinance shall upon conviction be punished by sentence within the parameters of the maximum penalty for misdemeanors set forth in Minn. Stat. § 609.03, or as may be amended.

The penalties prescribed under this Ordinance in no way preclude the Commission from taking any other civil action authorized under the Rental Auto Company's agreement(s) with the Commission or by law.

7.2 Provisions Severable

If any part or parts of this Ordinance is declared unconstitutional or invalid, this does not affect the validity of the remaining parts of this Ordinance. The Commission declares it would have passed the remaining parts of this Ordinance without the unenforceable provisions.

If for any reason the Rental Auto Facility Charges described in this Ordinance are declared illegal or invalid by a court of competent jurisdiction, the Rental Auto

Companies remain responsible to pay the Commission the outstanding Total Bond Costs for the Facilities. Each Rental Auto Company shall pay the Commission an amount equivalent to one year's portion of the remaining Total Bond Costs on January 1 of each year according to each Company's percentage of market share.

7.3 Notice

Any notice required by this Ordinance is sufficient if delivered in person, sent by U. S. mail to the last address on file with the Commission, or transmitted by facsimile to the last facsimile number on file with the Commission.

7.4 Amendment

Ordinances 88 and 109 are amended and restated on the date this Ordinance takes effect.

7.54 Effective Date

This Ordinance is effective November 1, 2010.

MEMORANDUM

ITEM 8

TO: Management & Operations Committee

FROM: Arlie Johnson, Asst. Airport Director, Landside Operations (726-5568)

SUBJECT: **RECOMMENDATION RE: ADJUSTMENT TO COMMERCIAL VEHICLE PER-TRIP FEE AND TAXICAB ANNUAL PERMIT FEE**

DATE: June 25, 2010

MAC Ordinances 102 and 106 govern the operation of taxicabs at Minneapolis-St. Paul International Airport (MSP). MAC Ordinance 93 governs the operation of commercial vehicles at MSP. These ordinances require the Commission to recover associated costs to MAC by annually adjusting fees for taxi and commercial vehicle operators who pick up passengers at the airport. Fees are determined by applying the cost recovery formula for commercial roadway and automated system use against budgeted costs for operations, administration, depreciation and interest, and historical roadway usage data. Taxicabs and commercial vehicles comprise 16.8% and 11.7%, respectively, of the overall traffic at MSP as determined by a 2004 traffic study. Because there are differences between the ordinances and their cost recovery fee setting, this memo addresses commercial vehicle and taxicab permit fee adjustments separately.

Commercial Vehicle Per Trip Fee Adjustment

Based on the established cost-recovery formula, staff recommends the current commercial vehicle per trip fee of \$2.31 be increased 10.4% to \$2.55 for the period November 11, 2010 through November 10, 2011. This per trip fee recovers the budgeted cost associated with operation of commercial vehicles other than taxicabs as required by Ordinance 93. The commercial vehicle per trip fee is determined by dividing the associated budgeted cost to be recovered by the number of trips taken during the most recently completed annual permit period. A 5.5% increase (\$63,481) in cost combined with a 4.6% reduction in the number of trips taken produced the recommended increase to the commercial vehicle per trip fee. See Attachment 1 for calculation details.

Transit Center Per Trip Fee

The Terminal 1-Lindbergh Transit Center has recently been equipped with Automated Vehicle Identification (AVI) equipment that, in part, allows automated monitoring of trips and collection of fees associated with bus operations. Most commercial vehicle operators are assigned separated areas of operation – one for passenger pick-up, where the per trip fee is applied, and another for passenger drop-off, where no fee is charged. Bus operations at Terminal 1-Lindbergh are unique in that operators are required to perform both passenger pick-up and drop-off within one area, the Transit Center. Due to this arrangement, and the fact that AVI equipment cannot distinguish whether an operator is performing passenger pick-up or drop-off, a “transit center per trip fee” was established last year to ensure the equitable distribution of recoverable costs. Because it is reasonable to assume that a Bus operator who provides pre-arranged group service to or from the Transit Center will also provide return service for that same group, staff recommends that a transit center per trip fee be approved that equals one-half of the established commercial vehicle per trip fee, or \$1.28. This amount recovers the budgeted cost associated with the operation of commercial vehicles at the Terminal 1-Lindbergh Transit Center as required by Ordinance 93.

Taxicab Annual Permit Fee Adjustment

Based upon the established cost recovery formula, staff recommends the current annual taxicab permit fee of \$3,650 be increased 11.0% to \$4,050 for the period November 11, 2010 through November 10, 2011. This amount includes the recovery of \$66,400 that the Commission deferred last year as a measure of economic relief to allow the fee to remain unchanged from the year prior. Although cost rose only 0.1% (\$3,598), the inclusion of the deferred amount along with a 5.0% decrease in the number of permits issued produced the recommended increase to the taxicab annual permit fee. This recommended annual permit fee recovers the budgeted costs associated with operation of taxicabs as required by Ordinance 102 plus the deferment. The annual taxicab permit fee is determined by dividing the associated budgeted cost to be recovered by the number of permits issued during the most recent annual permit period. See Attachment 1 for calculation details.

Taxicab Annual Permit Fee Hybrid Payment Adjustment

The Commission established per trip fees as an optional payment method for annual taxicab permits rather than requiring the full annual fee up front. This "hybrid" option allows operators to pay a portion of the annual fee up front and the remainder throughout the permit period via per-trip fees. Historically, the up front portion has been calculated as approximately one-half of the recommended annual permit fee. As an additional measure of economic relief, last year the Commission approved the up front portion be reduced to approximately one-third of the recommended annual permit fee. Staff recommends the continuance of the one-third up front payment for operators opting to use the hybrid payment method. They would be charged \$1350 up front plus \$3.03 per trip for the period November 11, 2010 through November 10, 2011. See Attachment 1 for calculation details.

Taxicab Airport Use Fee

The airport use fee enables taxicab operators to recover the approximate cost of the annual taxicab permit fee. Taxicab operators are the only commercial vehicle operators allowed by ordinance to add an airport use fee to the fare charged to a customer. The use fee is calculated by dividing the associated budgeted cost to be recovered by the number of trips taken during the most recently completed annual permit period, then rounding to the nearest \$0.25. Based upon this formula, staff recommends the current airport use fee of \$3.50 be increased to \$4.50 per trip for the period November 11, 2010 through November 10, 2011. Although cost remained flat, a 16% reduction in the number of trips taken last year produced the recommended increase to the airport use fee. See Attachment 1 for calculation details.

COMMITTEE ACTION REQUESTED

THAT THE MANAGEMENT AND OPERATIONS COMMITTEE RECOMMEND TO THE FULL COMMISSION:

1. APPROVAL OF A COMMERCIAL VEHICLE PER TRIP FEE ADJUSTMENT FROM THE CURRENT RATE OF \$2.31 TO A RATE OF \$2.55 FOR THE PERIOD NOVEMBER 11, 2010 THROUGH NOVEMBER 10, 2011;
2. APPROVAL OF A COMMERCIAL VEHICLE TRANSIT CENTER PER TRIP FEE OF \$1.28 FOR THE PERIOD NOVEMBER 11, 2010 THROUGH NOVEMBER 10, 2011;
3. APPROVAL OF AN ANNUAL TAXICAB PERMIT FEE OF \$4,450 AND THE OPTIONAL HYBRID PAYMENT METHOD OF \$1350 PLUS \$3.03 PER TRIP FOR THE PERIOD NOVEMBER 11, 2010 THROUGH NOVEMBER 10, 2011;
4. APPROVAL OF AN AIRPORT USE FEE ADJUSTMENT CHARGED TO TAXICAB CUSTOMERS TO \$4.50 PER TRIP;
5. AUTHORIZATION FOR THE EXECUTIVE DIRECTOR OR HIS DESIGNEE TO EXECUTE THE NECESSARY DOCUMENTS.

ATTACHMENT 1**Proposed 2011 Taxicab & Commercial Vehicle Fees****Commercial Vehicle Per Trip Fee Calculation**

O&M Expense	\$	876,623	
Depreciation & Interest	\$	310,198	
MAC Staff Cost	\$	33,847	
Total Recoverable	\$	1,220,668	
Annual Commercial Vehicle Trips		478,060	
Calculated Per Trip Cost	\$	2.553	
Current Per Trip Cost	\$	2.31	
Per Trip Increase	\$	0.24	
Actual Cost per Commercial Vehicle Trip (Rounded to nearest \$0.01)	\$	2.55	10.4% Increase

Taxicab Annual Permit Fee Calculation

O&M Expense	\$	1,354,112	
Depreciation & Interest	\$	516,126	
MAC Staff Cost	\$	622,779	
Total Recoverable	\$	2,493,017	
2009 Deferred Cost	\$	66,400	
Adjusted Total Recoverable	\$	2,559,417	
Number of Taxicab Permits		631	
Calculated Permit Cost	\$	4,056	
Current Permit Cost	\$	3,650	
Permit Cost Increase		406	
Actual Annual Taxicab Permit Fee (Rounded to the nearest \$25)	\$	4,050	11.0% Increase

Taxicab Annual Permit Fee Hybrid Payment Adjustment

Actual Annual Permit Fee	\$	4,050	
One-third of Annual Permit Fee (Up Front Fee)	\$	1,350	
Difference to Recover via Per Trip Fees	\$	2,700	
Annual Number of Trips Per Taxicab		891	
Actual Per Trip Fee (Rounded to the nearest \$0.01)	\$	3.03	

Taxicab Airport Use Fee Calculation

Total Adjusted Recoverable Cost	\$	2,559,417	
Total Taxicab Trips		562,467	
Cost per Taxicab Trip	\$	4.55	
Actual Airport Use Fee (Rounded to the nearest \$0.25)	\$	4.50	

MEMORANDUM

ITEM 9

TO: Management & Operations Committee

FROM: Mitchell P. Kilian, Director of Governmental Affairs (612-794-9176)

SUBJECT: **LEGISLATIVE UPDATE**

DATE: June 28, 2010

An electronic version of MAC's 2010 State Legislative Summary was sent to Commissioners in a separate e-mail. A brief presentation on the summary will be made at the July Management and Operations Committee meeting.

Additionally, the latest extension of the FAA Reauthorization is scheduled to expire on July 3rd. At the time of this mailing, Congress appears to be set to pass its 14th extension to the current FAA authorizing language. We will plan to give an update at the July 7th meeting.

THIS IS AN INFORMATIONAL ITEM ONLY; NO COMMITTEE ACTION IS REQUIRED