



MINUTES OF THE MEETING

DATE: April 15, 2014

PLACE: Amatuzio Conference Room
Duluth International Airport, Duluth, MN

DIRECTORS PRESENT: Roger Wedin
Ken Stromquist
Sue Ross
Pat Mullen
Heather Rand
Ken Butler

DIRECTORS ABSENT: Mike Lundstrom

OTHERS PRESENT: Tom Werner, Executive Director
Mary Ann Wittkop, Recording Secretary
Joan Christensen, Assistant City Attorney
Blaine Peterson, Director of Operations
Natalie Peterson, Com. & Marketing Director
Joelle Bodin, Finance & Administration Director
Ryan Welch, Terminal Facilities Manager
Brian Madsen, Sky Harbor Manager
John DeCoster, Trillion Aviation
Derek Anderson, DAA
Kathy Carver, Confidential Bookkeeper
Jana Kayser, Part Time Bookkeeper
Don Monaco, Monaco Air Duluth
Mike Magni, Monaco Air Duluth
Darren Christopher, RS&H
William King, Cirrus Design
Eric Monson, Lake Superior Helicopters
Benita Crow, SEH

Vice President Wedin welcomed everyone and noted he would be presiding as Pres. Lundstrom was out of town. He called the meeting to order at 8:00 a.m. and invited Mr. Werner to present on the Executive Director review.

EXECUTIVE DIRECTOR'S REVIEW

- Total passenger numbers are flat. Delta will be bringing a mainline airbus back to service in June. Allegiant's Mesa service has a summer suspension, seasonal service. Attending Allegiant Airport Conference in May.
- Airfield Operations & Development: Master plan meeting today with Rice Lake

Township and Hermantown to discuss the runway option comparison study. Mr. Werner thanked RS&H and Blaine Peterson for their extensive work on the study. Mr. Blaine Peterson, Director of Operations, updated on the following: working with Monaco Air on the preliminary stages of planning for the FIS Facility; parking ramp – crane is off-loading precast cement; parking lot overflow – kudos to Mr. Ryan Welch, Terminal Facilities Manager, for his parking plan; law enforcement office space -- meetings with Sheriff Department for partnership with Duluth Police Department for presence at the terminal. Ms. Benita Crow, SEH, updated on meetings and the final stages of the Sky Harbor Environmental Assessment (EA) process.

- Legislative – Duluth Chamber Military Affairs Committee and 148th representatives had a successful trip to Washington DC to promote the 148th and runway extensions plan.
- The next Northern Alliance meeting is scheduled for May 14th at the LSC flight school.
- Will be receiving the MN Council of Airports (MCOA) Award of Excellence for Project of the Year.
- Ms. Joelle Bodin, Director of Finance and Administration spoke on the transition with her upcoming maternity leave and introduced Ms. Kathy Carver as the Acting Director of Finance and Administration.

Questions and discussion followed on several of the Executive Directors review items.

OPPORTUNITY TO BE HEARD

Vice President Wedin explained the DAA By-Laws and the agenda sequence of order. Mr. Don Monaco, Monaco Air Duluth and Mr. William King, Cirrus Design signed up for the Opportunity to be Heard section. He invited Mr. Monaco, to speak first on Old Business Items A and B. Mr. Monaco presented a handout to the Directors. He commended everyone's work on the improved Minimum Standards document and the ability for Monaco and other stakeholders to participate in this process. He presented two unresolved issues, expressed his concerns, and spoke on his recommendations. Mr. William King, Cirrus Design, was invited to the table and spoke on Old Business Items A and B. He also expressed his appreciation to the Board and staff for their work on minimum standards. He spoke on the importance of the FBO and their relationship as an integral piece of the Cirrus business model. He relayed background information on the process of obtaining a legitimate FBO operation at this airport. He urged the Board to consider Monaco's request to modify the minimum standards. Mr. Monaco and Mr. King were thanked by the Board.

OLD BUSINESS

Mr. Werner spoke on Mr. Dan Reimer's, Kaplan Kirsch & Rockwell, correspondence and final comments. He highlighted several of Mr. Reimer's prospective regarding this extensive process. Mr. John DeCoster, Trillion Aviation gave background information, explained, summarized and outlined the Minimum Standards and Rules and Regulations process. Questions and discussion followed. He

detailed on the review process with key stakeholders, revisions and redistributions. He presented on the Duluth International Airport Rules and Standards. Ms. Joan Christensen, Assistant City Attorney, spoke on the Chapter 4 City Code provisions that apply to the airport and explained how these rules and standards would need to be adopted into the City Code by the City Council. She explained the process and gave examples of enforcement of violations. Mr. DeCoster made summary comments on the rules and standards. Detailed questions and discussion followed on the document and the process moving forward.

Vice President Wedin moved on to Item B and invited Mr. Monaco to speak. He presented a handout with three draft recommendation and explained his concern with two issues on the proposed rules and standards. Mr. Monaco thanked the Board and expressed he is looking forward to working under the new rules. Dir. Mullen moved to adopt the Duluth International Airport Rules and Standards. Dir. Rand seconded. Vice President Wedin opened the resolution up for discussion. Discussion, comments and questions followed. Dir. Rand recommended a draft amendment based on Mr. Monaco's resolution number one with changes and adjusting letters and page numbers -- 1.1 Airline Ground Handling adding item number 6 with language change, 1.2.1 Section A Definitions -- do not incorporate this section, keep it the same, and 1.2.2 Aircraft Fueling Operations remove the language as presented. Questions and further discussion continued. Dir. Butler seconded the amendment. Conversation followed with each Director expressing their concerns and comments on this amendment to the rules and regulations resolution. Dir. Rand moved to table this resolution and recommended having a subcommittee address the concerns, separating the two issues -- the reservation of DAA rights and the ground handling de-icing. These amendments will be brought back to the Board at the June meeting. Dir. Stromquist seconded. Dir. Mullen opposed. Motion carried.

Mr. DeCoster was invited to the table to update on the Trillion Aviation business development tasks and timeline. He presented a handout and highlighted several key points. Questions followed. Mr. DeCoster was thanked for his update.

NEW BUSINESS

Mr. DeCoster gave background information on the parking lot agreement. Questions and discussion followed. Dir. Rand moved to approve the resolution for the parking lot agreement between the DAA and Chad Pad, LLC. Dir. Mullen seconded. Motion carried.

Ms. Natalie Peterson, Communications and Marketing Director, gave background information on the agreement. Questions and comments followed. Dir. Ross moved to approve the resolution for the lease agreement between the DAA and MediaUSA, Inc. Dir. Butler seconded. Motion carried.

Ms. Peterson detailed on the advertising corporate sponsorship. Questions and discussion followed. Dir. Mullen moved to approve the resolution for the corporate sponsorship agreement between DAA and AtWater Group, LLC. Dir. Rand seconded. Motion carried.

Vice President Wedin explained the approval of previous meetings minutes and other consent agenda items had not been approved. Dir. Ross moved to approve the previous minutes and other consent items below. Dir. Rand seconded. Motion carried.

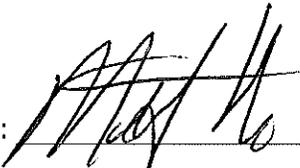
CONSENT ITEMS

March 18, 2014 meeting minutes.
Cash disbursement sheets #6 and #7, 2014. Construction Fund sheet #5, 2014.
Aviation news release KSFY Sioux Falls "Regional Airlines Facing Pilot Shortage".
Letter from Assistant City Attorney to attorney William Burns regarding Hydrosolutions of Duluth documentation and e-mail reply from Mr. Burns.
E-mail from Monaco Air Foundation to DAA with summary of March 2014 activities.
Duluth International Airport news releases -- "Plans to Secure Funding for Duluth Airport Runway Expansion"; DNT news release "Delegation to Visit Washington to Advocate for Duluth Airport Expansion"; Voice of Alexandria "Duluth Group to Meet with Lawmakers about Airport runway Expansion"; KBJR News 1 "Senator Franken Pledges Support for Duluth Runway Expansion".

Vice Pres. Wedin adjourned the April 15th DAA board meeting at 10:42 a.m.

Respectfully submitted,

Mary Ann Wittkop
Recording Secretary

APPROVED:  DATE: 5-14-14