



MINUTES OF THE MEETING

DATE: September 16, 2014

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

DIRECTORS PRESENT: Mike Lundstrom
Sue Ross
Heather Rand
Richard Stewart

DIRECTORS ABSENT: Ken Stromquist
Pat Mullen
Ken Butler

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
Ryan Welch, Terminal Facilities Manager
Brian Madsen, Sky Harbor Manager
John DeCoster, Trillion Aviation
Kathy Carver, Confidential Bookkeeper
Jana Kayser, Part Time Bookkeeper
Darren Christopher, RS&H
Benita Crow, SEH
Mike Magni, Monaco Air Duluth
Don Monaco, Monaco Air Duluth
Monique Forcier, Crystal Clean

President Lundstrom welcomed everyone and called the meeting to order at 8:00 a.m. He introduced new Board member Dr. Richard Stewart, UWS Dean of Transportation. Dir. Stewart was welcome to the Board. Mr. Werner presented on the Executive Director review.

EXECUTIVE DIRECTOR'S REVIEW

- Air services update remains flat. Delta down 2.8%, A319 switching to CRJ900 in October. United strong 11.5%, fourth flight will be removed in October, numbers should be enough to be returned in 2015. Allegiant down 7.2% due to suspension of seasonal flights.
- Airfield Operations & Development: Mr. Werner updated on potential financial impact due to Allegiant suspensions; Airport zoning update, letters from MAC and MCOA with concerns to MnDOT legislative change timelines and Joint Airport Zoning board pursuing parallel paths to proceed toward local and statewide zoning changes. Mr. Blaine Peterson, Director

of Operations, updated on Airside Operations – FAR Part 139 annual certification inspection last week went very well; summarized on Air Show weekend event, attendance numbers, overall success even with weather, some issues to be addressed for future. Landside Operations -- parking ramp, happening now - wayfinding signage exterior, interior along with painting and striping; spoke on skywalk timeline. Mr. John DeCoster, Trillion Aviation explained the City will help with funding of the consolidation for Hangar #103 and LSC Center for Advanced Aviation moving forward, spoke on timeline; HydroSolutions term sheet and new lease update. Ms. Benita Crow, SEH, presented a quick update on the Sky Harbor EA process.

- Marketing – Ms. Natalie Peterson, Communications & Marketing Director, updated on the Las Vegas marketing ads, Thanks Again campaign, parking ramp ribbon cutting event, DAA media video and planned Bentleyview community partnership “Golden Ticket” opportunity and DAA employee night.
- The next Northern Alliance meeting is scheduled for September 17th at the Hermantown Area Chamber of Commerce.

Questions and discussion followed on several of the Executive Directors review items. Dir. Ross moved to approve the Sky Harbor Airport Public Hearing with one correction. Dir. Rand seconded. Motion carried. Dir. Rand moved to approve the August meeting minutes. Dir. Stewart seconded. Motion carried.

OLD BUSINESS

Mr. Mike Magni, Monaco Air Duluth, gave a brief update on the new General Aviation Federal Inspection Service (FIS) and FBO facility projects. Mr. Magni was thanked for his update.

Mr. Werner summarized on the DAA Operating Policy updates. Questions followed. Dir. Ross moved to approve and amend the language update for DAA Operating Policy #4. Dir. Stewart seconded. Motion carried. Dir. Stewart moved to approve, amend and update DAA Operating Policy #6. Dir. Rand seconded. Motion carried. Dir. Rand moved to approve and amend the language update for DAA Operating Policy #7. Dir. Stewart seconded. Motion carried. Dir. Ross moved to approve and amend the language update for the DAA Operating Policy #17. Dir. Stewart seconded. Questions followed. Motion carried. Dir. Rand moved to approve and amend the language update for DAA Operating Policy #23. Dir. Stewart seconded. Motion carried.

NEW BUSINESS

Mr. Peterson overviewed on the current process for the Capital Improvement Programs (CIP) and summarized on the improved approval plan for the 2015 process. Questions followed. Dir. Rand moved to approve the Duluth Airport Authority’s 2015 Capital Improvements Projects. Dir. Stewart seconded. Motion carried.

Mr. DeCoster summarized on the business center. Ms. Peterson detailed further on customer service amenities. Questions followed. Dir. Ross moved to approve the sponsorship agreement between the Duluth Airport Authority and Sonju Enterprises, Inc. (Avis). Dir. Stewart seconded. Motion carried.

Ms. Peterson spoke on the kiosk and wayfinding area. Dir. Ross moved to approve an advertisement agreement between the Duluth Airport Authority and Visit Duluth. Dir. Stewart seconded. Motioned carried.

Mr. Peterson explained the work involved with the Air Traffic Control Tower (ATCT) and recommended approval. Questions followed. Dir. Stewart moved to award the contract for HVAC, floor and roof replacement for ATCT to Jamar Company. Dir. Rand seconded. Questions followed. Motion carried.

Mr. Peterson spoke on the iFIDS agreement. Dir. Ross moved to approve iFIDS supplemental agreement to contract No. 12-003B to contract No. 12-C003C commencing February 1, 2014 to December 31, 2014. Questions followed. Dir. Stewart seconded. Motion carried.

Mr. Peterson explained the work at Sky Harbor. Dir. Rand moved to award the Sky Harbor Airport Apron Rehabilitation – Phase 2 to Ulland Brothers, Inc. Dir. Ross seconded. Motion carried.

Mr. Werner presented the preliminary draft 2015 budget DAA financial assumptions. Questions followed.

Pres. Lundstrom mentioned the consent items had not been approved. Dir. Rand moved to approve consent and other items below. Dir. Stewart seconded. Motion carried.

CONSENT ITEMS

Cash disbursement sheets #18, and #19, 2014. Construction Fund sheets #10 and #11, 2014.

Aviation news releases Aviation Week “Shifting Airline Schedules Continue to Hammer Smaller Airports”, Chamber Times – Hermantown Star “Arrowhead Tap House Ribbon Cutting” and DNT “Allegiant Air Ends Non Stop From Duluth to Orlando”. “

Letter from Park Point Community Club to DAA Commenting on the Draft Federal Environmental Assessment and State Environmental Assessment Worksheet for Runway 32 at the Duluth Sky Harbor Airport and Supporting Alternative (5a Short).

Letter from Metropolitan Airports Commission (MAC) to MnDOT Regarding Airport Safety Zoning MnDOT Process to Update State Statutes and Rules and Letter from MN

Council of Airports (MCOA) to MnDOT regarding Airport Safety Zoning MnDOT Process to Update State Statutes.

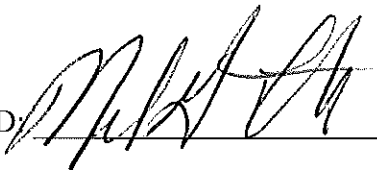
Appreciation letter from Duluth Air & Aviation Expo to the DAA team for their efforts in supporting the Duluth Air & Aviation Expo.

E-mail from Monaco Air Foundation with summary of August 2014 activities.

Pres. Lundstrom adjourned the September 16th DAA board meeting at 9:29 a.m.

Respectfully submitted,

Mary Ann Wittkop
Recording Secretary

APPROVED:  DATE: 10-21-14