



Strategic Plan Session DAA Special Meeting

DATE: November 12, 2014

PLACE: Sheraton Duluth
Gooseberry Falls Room/Restaurant 301

DIRECTORS PRESENT: Michael Lundstrom
Ken Stromquist
Pat Mullen
Sue Ross
Heather Rand
Ken Butler
Richard Stewart

OTHERS PRESENT: Tom Werner, Executive Director
Mary Ann Wittkop, Recording Secretary
Blaine Peterson, Director of Operations
Natalie Peterson, Com. & Marketing Director
Joelle Bodin, Finance & Administration Director
Joan Christensen, Assistant City Attorney
John DeCoster, Trillion Aviation
Joe Jackson, RS&H
Paul Karas, RS&H
Darren Christopher, RS&H
Benita Crow, SEH
Kaci Nowicki, SEH
Steve Overom, Maki & Overom
Candace Renalls, Duluth News Tribune

President Lundstrom welcomed everyone and called the strategic plan session to order at 3:05 p.m. He entertained a motion to approve Items I, II, III and IV as consent items as they do not directly relate with this session. Dir. Stewart seconded. Motion carried.

Pres. Lundstrom spoke on the purpose for this session as an opportunity for Board members to interact and review past strategic plans, understand priorities, have discussions on past and future airport projects and activities. He thanked RS&H for supporting this process and providing the facilitator, Mr. Joe Jackson. Mr. Werner explained the DAA strategic plan is in place, this session is a review of that process. He detailed further on the agenda and introduced the facilitator for this meeting, Mr. Joe Jackson, RS&H.

Mr. Jackson spoke on his background information and explained the process for this strategic session. He promised his best efforts in keeping this session on track. He invited Mr. Werner to speak on the Duluth International Airport (DLH) air service. Mr. Werner presented on the air service at DLH. He overviewed on the historical, industry and trends. Questions and discussion followed.

Mr. Darren Christopher, RS&H presented a quick overview of the DLH Master Plan. He gave background information and described the master plan as a comprehensive road map for the airport in what direction it will be going for the next twenty years. Summarized on the master plan, Capital Improvement Plans key issues, major projects and funding sources. Questions and discussion followed. Mr. Werner summarized on the background and process of this Master Plan. Dir. Stewart requested the slide show for review. Discussion followed.

Mr. Werner presented on airport zoning. He spoke on the zoning ordinance background and the MnDOT standard zoning. Reviewed current zoning issues, safety and economic impacts data and studies and the alternatives and options. He explained, at this time a state wide zoning change process is being engaged. Questions and comments followed.

Mr. Blaine Peterson, Director of Operations, spoke on the operations side of the Duluth Airport Authority (DAA). He detailed on all the operations of the airside, landside, Sky Harbor and security. Touched on financials, Airport Improvement Program (AIP) funding and FIS facility.

Ms. Natalie Peterson, Communications and Marketing Director, explained the MnDOT air service marketing program and overviewed on operational marketing initiatives, corporate sponsorships, advertisement and revenue. She spoke on customer service initiatives such as the Thanks Again program and Arrowhead Tap House.

Ms. Joelle Bodin, Finance & Administration Director overviewed on the DAA revenue and expenses. She detailed and summarized on the long term liabilities such as City bonding and post-employment benefits and capital planning.

Mr. John DeCoster, Trillion Aviation, presented on DAA business development. He summarized on the DLH property overview, tenants and users. He spoke on DAA real estate and business development.

Pres. Lundstrom recommended a ten minute break at 4:55 p.m.

Mr. Jackson, RS&H, reconvened the strategic planning session at 5:05 p.m. He summarized on the presentations and identified initiatives – growing and sustaining air passenger service, diversifying and growing revenue, restructuring into a regional

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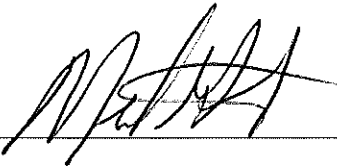
authority and researching the expansion of cargo services. Discussion and detailed conversation followed on the DAA initiatives. Mr. Werner presented a final summary and observations of items discussed. Summary, comments and feedback continued.

The strategic plan session for November 12th was adjourned at 6:22 p.m. Dinner and conversation followed at Restaurant 301 ending at 7:30 p.m.

Respectfully submitted,

Mary Ann Wittkop
Recording Secretary

APPROVED: _____



DATE: _____

12-16-14