



MINUTES OF THE MEETING

DATE: July 15, 2014

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

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

OTHERS PRESENT: Tom Werner, Executive Director
Mary Ann Wittkop, Recording Secretary
Joan Christensen, Assistant City Attorney
Natalie Peterson, Com. & Marketing Director
Ryan Welch, Terminal Facilities Manager
Joelle Bodin, Finance and Administration Director
Brian Madsen, Sky Harbor Manager
John DeCoster, Trillion Aviation
Kathy Carver, Confidential Bookkeeper
Jana Kayser, Part Time Bookkeeper
Alex Edwards, DAA
Mike Reilly, Oakwells/Arrowhead Tap House
Rob Missinne, Monaco Air Duluth
Darren Christopher, RS&H
Scott Sannes, SEH
Monique Forcier, Crystal Clean
Eric Monson, Lake Superior Helicopters
Candace Renalls, DNT

President Lundstrom welcomed everyone and called the meeting to order at 8:00 a.m. Mr. Werner explained Dir. Wedin's tenure will be up soon. He has been a part of the Board for six years through challenging times, his leadership and vision has been appreciated. Dir. Wedin was presented a recognition plaque for his services. Dir. Wedin expressed his appreciation to DAA and his colleagues for the opportunity to be involved in the exciting times with the new terminal project as well as being part of the selection of Mr. Werner as Executive Director. The Board thanked Dir. Wedin for his service. Mr. Werner presented on the Executive Director review.

EXECUTIVE DIRECTOR'S REVIEW

- Summarized on the air service -- total passenger numbers year to date are up 1.7%,

modest growth. United up with a 18.7% increase, 4th flight successful and has been overbooked since inception, meeting with SkyWest at the end of July. Allegiant Las Vegas marketing campaign successful with bookings up 10%.

- Airfield Operations & Development: Airport zoning update, continued efforts and meetings for complimentary zoning plan for master plan and state wide process. Mr. Blaine Peterson, Director of Operations, updated on Airside Operations – FIS facility design and Air Show presentation and update. Landside Operations -- parking ramp construction update, way finding signage and spoke on the excellent traffic control during skywalk placement. Mr. Werner mentioned information for the upcoming air show. Mr. John DeCoster, Trillion Aviation, overviewed on the positive rental car audit and spoke on concept of car wash maintenance facility and proceeding to the next step. Mr. Scott Sannes, SEH, updated on the EA/EAW process.
- Marketing – Ms. Natalie Peterson, Communications & Marketing Director, introduced new intern Alex Edwards who will be focusing on the DAA website; briefed on the phases of marketing for the Allegiant Las Vegas service and marketing for corporate parking.
- The next Northern Alliance meeting is scheduled for July 16th at the LSC downtown location. LSC will be announcing expanding their A& P program, supporting aviation.
- ACI Small Airports conference.

Questions and discussion followed on several of the Executive Directors review items. Pres. Lundstrom complimented the staff on the traffic control during Skywalk installation. Dir. Ross moved to approve the previous minutes and other consent items below. Dir. Butler seconded. Motion carried.

CONSENT ITEMS

June 17, 2014 meeting minutes.

Cash disbursement sheets #13, #14 and #15, 2014. Construction Fund sheet #8, 2014.

Hermantown Star release regarding Arrowhead Taphouse ribbon cutting.

Letter from Krenzen to DAA regarding the Budget Rental A Car audit.

Letter from Duluth Comfort Systems to DAA regarding an energy conservation grant.

E-mail from Monaco Air Foundation with summary of June 2014 activities.
regarding Hydrosolutions of Duluth.

Letters from DAA to Duluth and Hermantown Area Chamber of Commerce regarding utilization of Hangar 103.

OLD BUSINESS

Ms. Joelle Bodin Director of Finance and Administration spoke on background information concerning Hydrosolutions, spoke on rent credits and request for a sustainability plan. Discussion followed. Ms. Bodin was thanked for her update.

Pres. Lundstrom invited Mr. Mike Reilly, Oakwells/Arrowhead Taphouse to the table. Mr. Reilly spoke on the success of their ribbon cutting event and presented and summarized on their five months of operations. Question and discussion followed. Mr. Reilly was thanked for his presentation and complimented on the service for the ribbon cutting event.

NEW BUSINESS

Mr. DeCoster summarized on the Sky Harbor operator agreement. Dir. Butler questioned the indemnification language. Mr. Werner recommended approval contingent on the language change. Dir. Butler moved to approve the Sky Harbor operator agreement between Lake Country Air Service and the Duluth Airport Authority contingent on the indemnification language change. Dir. Rand seconded. Motion carried.

Mr. Peterson explained the resolution should state bid to be awarded, not contract to be awarded. Questions followed. Dir. Wedin moved to award the bid for the Sky Harbor Airport Apron Rehabilitation Phase 2 to Ulland Brothers, Inc in the amount not to exceed \$584,659.10. Dir. Mullen seconded. Motion carried.

Mr. Peterson recommended approval of following resolution with language change to lump sum not to exceed. Dir. Rand moved to approve Reynolds, Smith and Hills, Inc (RS&H) work order 2014-01 for the Duluth Sky Harbor Apron Phase 2 CA/RPR in the lump sum not to exceed \$66,000. Dir. Butler seconded. Motion carried.

Ms. Bodin presented the quarterly financial review. Questions followed. Ms. Bodin and Mr. Ryan Welch, Airports Facility Manager, presented the new terminal utilities update. Questions and discussion followed. Mr. Welch and Ms. Bodin were thanked for their updates.

Pres. Lundstrom adjourned the July 15th DAA board meeting at 9:56 a.m.

Respectfully submitted,

Mary Ann Wittkop
Recording Secretary

APPROVED:  DATE: 8-19-14