



MINUTES OF THE MEETING

DATE: February 17, 2015

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

DIRECTORS PRESENT: Mike Lundstrom
Ken Butler
Pat Mullen
Heather Rand
Richard Stewart

DIRECTORS ABSENT: Ken Stromquist
Sue Ross

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
Jana Kayser, Part Time Bookkeeper
Darren Christopher, RS&H
Benita Crow, SEH
Kaci Nowicki, SEH
Scott Sannes, SEH
Don Monaco, Monaco Air Duluth
Monique Forcier, Crystal Clean
Mark Marino, Hangar 10
Sandra Ettestad, Hangar 10
John Mulder, Hermantown City Administrator
Bill King, Cirrus Design
Mark Gardonio, Allete
Briggs LeSavage, WDIO TV
Candace Renalls, DNT

President Lundstrom welcomed everyone and called the meeting to order at 7:30 a.m. He reminded people to sign in for Opportunity to be Heard section, which is restricted to three minutes and invited Mr. Tom Werner, Executive Director, to present on the Executive Director review.

EXECUTIVE DIRECTOR'S REVIEW

- Year to date passenger numbers are slightly down -- United numbers were up, with Delta and Allegiant numbers down. A presentation on the air service projection will be in the near future.
- Mr. Blaine Peterson, Director of Operations, updated on the Joint Airport Zoning Board (JAZB) meeting. Received communities concerns on potential impacts with draft zoning ordinance. A recommendation by the JAZB for DAA to apply for a Mn/DOT grant to hire a consultant to assist moving forward with the zoning process. Spoke with Mn/DOT regarding grant and working with a JAZB selection committee to guide through this process. LSC Hangar 103 remodel moving along, explained bid process and timeline. Mr. Werner mentioned the Sky Harbor topic will be later in this board meeting.
- Ms. Natation Peterson, Communications and Marketing Director had two updates – will have DAA booth at Duluth Days at the Capitol to engage and educate the public and attendees on the airport and Sky Harbor, there will be a drawing for two corporate parking spots. Website redesign, RFQ, timeline, replies and selection process. Swim Interactive has been chosen, may need feedback from Board members for the redesign process.
- Mr. Werner spoke on the congressional FAA reauthorization and MCOA's strong view on two issues AIP and PFC increase.
- The next Northern Aero Alliance will be held in the DAA Amatuzio conference room March 18th.
- Two airport orientations and very good meetings with the new Hermantown Chamber Executive Director and Senator Franken's regional representative.

Questions and discussion followed on several of the Executive Directors review items. An addition to people present on the Minutes was corrected. Dir. Mullen moved to approve the February 17th meeting minutes and other consent items below. Dir. Rand seconded. Motion carried.

CONSENT ITEMS

Cash disbursement sheets #1, and #2, 2015. Construction Fund sheet #2, 2015.

Letter from DAA to Senator Thomas Bakk and Senator Reinert updating on the request for naming of the Duluth International Airport Terminal in Honor of former US Representative James L. Oberstar.

Memorandum from City of Duluth Planning Division to Planning Commissioners regarding proposed text amendments to the UDC, creating a new zone district.

E-mail from Monaco Air Foundation with summary of January 2015 activities.

News release from Twin Cities Business "Construction in Duluth Quadruples as Economy Improves"; DAA and Range Regional Airport release "Duluth International and Range Regional Airport Authority Honoring U.S. Representative James L. Oberstar and Hibbing Daily News Tribune, Duluth, Hibbing Airports to Honor Oberstar"; DNT Local View

“Oberstar Earned Airport Terminal Honor”, “Bristles Force Guard to Ground 12 F-16s, National Affairs the Associated Press “Fighter Jets Grounded in Duluth Due to Engine Damage”; DAA release “2014 Passenger Numbers Rank as Fourth Busiest at Duluth International Airport”: DNT releases “United Soars, Delta Slips at Duluth Airport”, “Could Duluth Lose Las Vegas Flights?” and “Duluth Airport Director Receives Salary Increase”.

OPPORTUNITY FOR PERSONS TO BE HEARD

Mr. John Mulder, City of Hermantown Administrator, expressed two concerns from the City of Hermantown regarding the draft zoning ordinance – consultant assistance with zoning process and Zone B non-conforming parcels.

OLD BUSINESS

Pres. Lundstrom moved up New Business Items A and B to this point. Mr. Bill King, Cirrus Design, was invited to the table. He presented a quick overview on production, development and expressed Cirrus’ pride in their employees and quality product. Mr. King explained solutions for future growth, current facilities and plans on expansion. He touched on research and design for a new paint center. The Board thanked Mr. King for his update and praised Cirrus for their recognition of employees and their exceptional work.

Mr. King explained the consolidation of Cirrus leases. Mr. Butler moved to approve the resolution authorizing the execution of a consent to the assignment of ground leases related to Cirrus Design Corporation. Dir. Stewart seconded. Motion carried.

Pres. Lundstrom moved back to Old Business.

Pres. Lundstrom explained the next several Board meetings the Master Plan (MP) process will be presented in segments. Mr. Peterson and Ms. Kaci Nowicki, SEH, overviewed on the Duluth International Airport Master Plan. Ms. Nowicki described the MP as a framework to guide for long term future development at the airport and summarized on the elements, FAA review and approval and AIP. Mr. Peterson detailed on the history, and MP Advisory Board. Ms. Nowicki explained MP goals, development and visions. She spoke on the schedule and timeline for presentations. Questions followed. Mr. Peterson and Ms. Nowicki were thanked for their presentation.

NEW BUSINESS

Mr. Werner explained one of the strategic initiatives is the feasibility of an air cargo study at the airport. He summarized on the following agreement and scope of work. Discussion and questions followed. Dir. Rand moved to approve the resolution for a professional service

agreement between the Duluth Airport Authority and the University Wisconsin Superior to conduct an air cargo study. Dir. Mullen seconded. Dir. Stewart abstained. Motion carried.

Mr. Peterson summarized on the rezoning of airport property and development. Dir. Butler moved to approve the resolution in support of the City rezoning a portion of the Duluth International Airport from Mixed Use Neighborhood to Mixed Use Business to support economic development activities in and near the airport. Dir. Rand seconded. Motion carried.

Mr. John DeCoster, Trillion Aviation, presented background information on the Federal Express lease. Questions followed. Dir. Butler moved to approve the air carrier agreement between the Duluth Airport Authority and Federal Express Corporation. Dir. Stewart seconded. Motion carried.

Mr. DeCoster presented on the Duluth International Airport comprehensive real estate summary. He detailed on the list of DLH property, infrastructure issues, development and options. He requested recommendations and strategic direction for the parcels and facilities. Detailed questions and discussion followed on the properties. Mr. DeCoster thanked the board for their guidance. He was thanked by the Board for his update.

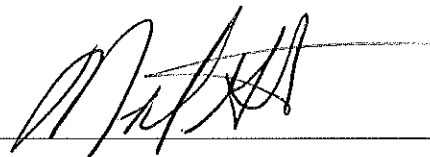
Mr. DeCoster presented background information on the Sky Harbor Airport (DYT) business plan. He spoke on meetings with tenants, airport property, infrastructure issues, development and revenue options. He presented terminal concession recommendations on how to move forward. Questions and discussion followed. Mr. Werner and Dir. Rand detailed further and updated on very good meetings with the City of Duluth Mayor and Administrator regarding opportunities and challenges at DYT. Pres. Lundstrom thanked Mr. DeCoster and Mr. Werner for their work on making the airport as financially sustainable as possible.

Pres. Lundstrom adjourned the February 17th DAA board meeting at 9:33 a.m.

Respectfully submitted,

Mary Ann Wittkop
Recording Secretary

APPROVED: _____



DATE: 2-17-15