



MINUTES OF THE MEETING

DATE: November 17, 2015

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

DIRECTORS PRESENT: Ken Stromquist
Heather Rand
Ken Butler
Anna Tanski

DIRECTORS ABSENT: Pat Mullen
Sue Ross
Richard Stewart

OTHERS PRESENT: Tom Werner, Executive Director
Mary Ann Wittkop, Recording Secretary
Blaine Peterson, Director of Operations
Natalie Peterson, Director of Marketing & Communications
Joelle Bodin, Director of Finance & Administration
Ryan Welch, Airport Facilities Manager
Brian Madsen, Sky Harbor Manager
Jana Kayser, Part Time Bookkeeper
Benita Crow, SEH
Darren Christopher, RS&H
Jim McGarvey, GSSC Security
Benjamin Vitulli, GSSC Security
Ray McClelland, Property Owner
Weston Johnson, UMD Student

President Stromquist welcomed everyone and called the meeting to order at 8:01 a.m. He reminded people to sign in for the Opportunity to be Heard section, which is restricted to three minutes. He invited Mr. Tom Werner, Executive Director, to present on the Executive review. Mr. Werner invited two DAA GSSC/Midwest Patrol security team members, Mr. Jim McGarvey and Mr. Ben Vitulli to the table. He shared an occurrence where travelers recognized the officers and were very appreciative for their lost item being found and secured. They expressed this positive experience will be shared with others and are looking forward to flying DLH again. Pres. Stromquist thanked the officers for their services. Mr. Werner explained Ms. Amy Bubacz, Delta Global Services, was not present, but wanted to recognize her. He read two testimonials on separate incidents where her help and service went above and beyond to make a huge

impact on the traveling public. She is the epitome for the customer service experience DAA would like to present to passengers.

EXECUTIVE DIRECTOR'S REVIEW

- Year to date air service total passenger numbers down 13.8 %; October 2015 comparison to 2014 down 9.8%; Delta down 3.5% and United up 4.4%. No information on Public Charter and proposal submitted.
- Airfield operations and development: Mr. Blaine Peterson, Director of Operations, Airside -- Runway 9/27 project paused due to season, preconstruction meetings happening; Landside – Monaco Air Fixed Base Operations / General Aviation Facility going well and looking good, updated on project; Cirrus Completion Center, comment period, Mr. Werner detailed further on ground lease with Cirrus and construction timeline. Business Development: Mr. Werner updated on -- Lake Superior Helicopter temporary agreement and interest in long term permanent location; CAF meeting discussions regarding long term plans; Federal Express processing area development options and discussion; Quick turn facility, CFC rates and parking lot improvements; meeting with Republic Parking regarding one year trial period for process and procedures for enforcement program of the new DAA commercial vehicle policy. He updated on the public informational meetings and presentation to the hospital industry, taxis and other services regarding the concept of the commercial vehicle policy. Sky Harbor – discussion with tenant on future development of Hangar 11.
- Financial: Ms. Joelle Bodin, Director of Finance and Administration, briefed on the accounting software initiative -- planned meetings and training. Mr. Werner mentioned a new purchasing policy will be presented at a future meeting to address new accounting procedures.
- Marketing: Ms. Natalie Peterson, Director of Marketing & Communications, recapped on the terminal renaming dedication event, quite successful and the family was very appreciative; DAA Bentleyville event, DAA volunteer night Sunday December 20th -- a great program to be a part of.
- Legislative: Mr. Werner summarized on the Sky Harbor project, successful with the LCCMR committee -- will recommend to support and spoke on next steps; Briefed on the Duluth Boat Club project improvements – meetings and discussions; meeting with Representative Murphy and future meeting with Senator Reinert regarding Bonding proposal for project.
- Northern Aero Alliance meeting will be held here tomorrow, November 18th.
- Presentations recap: Mr. Werner spoke on the very good meeting with the Cirrus ownership group, presentation to the Arrowhead Growth Alliance and good meeting with MnDOT Aeronautics regarding the State wide statute

changes. Questions and discussion were discussed on several of the Executive Director's review items. Dir. Rand moved to approve the October 20th meeting minutes and other consent items below. Dir. Butler seconded. Motion carried.

CONSENT ITEMS

Cash disbursement sheet #21, 2015. Construction fund sheet #10, 2015.
Letter from Hanft Fride to DAA concerning Sky Harbor Airport leases, Hangar 10 and 11; Response letter from DAA from Hanft Fride and letter from Hanft Fride to DAA requesting a meeting regarding Sky Harbor Airport leases.
Update letter from DAA to AAR Corporation on reconstruction of Runway 9/27 project.
DNT news article "Purple Hearts Afield: Group Gives Wounded Veterans a Chance to Hunt".
Duluth International Airport news articles: DNT, "Duluth International Airport U.S. Representative James L. Oberstar Terminal Dedication Event", Star Tribune "Duluth Dedicates New Oberstar Terminal Friday", DNT "Dedication of Duluth Airport's Oberstar Terminal Set for Friday" and "Duluth Airport Terminal Now Honors Oberstar", Northland New Center "Passenger Terminal Renamed After Late U.S. Congressman", WDIO.com "James L. Oberstar Terminal" and Fox 21/KQDS "Oberstar Terminal Dedication".
E-mail from Monaco Air Foundation with summary of October 2015 activities.
September 2015 financial report, October 2015 accounts receivables and airlines statistics.

OPPORTUNITY FOR PERSONS TO BE HEARD

None

OLD BUSINESS

Ms. Bodin summarized on the DAA 2016 rates and charges. Mr. Werner detailed further. Questions followed. Dir. Tanski moved to approve the resolution to approve the Duluth Airport Authority 2016 rates and charges. Dir. Rand seconded. Motion carried. Questions followed.

NEW BUSINESS

Ms. Peterson spoke on the State marketing air service grant. Mr. Werner added marketing details for air service. Dir. Butler moved to approve the resolution for the MnDOT grant agreement No. 1001875, for Air Service Programs for State

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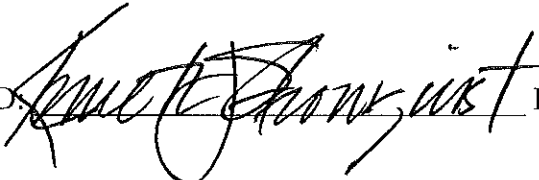
Project No. A6901-SM023 for a total grant amount not to exceed \$89,137 and to authorize the Authority's President and Secretary to execute the grant agreement. Dir. Tanski seconded. Motion carried.

Pres. Stromquist adjourned the November 17th DAA board meeting at 8:43 a.m.

Respectfully submitted,

Mary Ann Wittkop
Recording Secretary

APPROVED

 DATE: 12-15-15