



DULUTH INTERNATIONAL AIRPORT

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MINUTES OF THE MEETING

DATE: October 16, 2018

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

DIRECTORS PRESENT: Ken Butler
Anna Tanski
Craig Fellman
Richard Stewart
Todd Fedora
Kim Maki
Don McIsaac

OTHERS PRESENT: Tom Werner, Executive Director
Mary Ann Wittkop, Recording Secretary
Joan Christensen, Assistant City Attorney
Blaine Peterson, Director of Operations
Natalie Peterson, Director of Communications & Marketing
Ryan Welch, Airport Facilities Manager
Joelle Bodin, Director of Finance & Administration
Kathy Carver, Confidential Bookkeeper
Jana Kayser, Part Time Bookkeeper
Benita Crow, SEH
Kaci Nowicki, SEH
Ryan Jones, KLJ
Don Monaco, Monaco Air Duluth
Bill King, Cirrus
Mark Ketterer, AAR

President Butler called the meeting to order at 8:00 a.m. He reminded the public to sign in for the Opportunity to be Heard section and invited Mr. Tom Werner, Executive Director, to present on the Executive review. Mr. Werner updated on the following:

EXECUTIVE DIRECTOR'S REVIEW

Air Service: Continuing on same strong track 8.7% on the year to date (YTD) passenger numbers, with an increase of 17% from September 2017 to 2018. Slight increase for Delta with a 1.8% YTD increase. United doing very well with a 19.6% increase and a very strong September 2017 to 2018 increase of 35%; will be meeting with United this week to discuss future quarters growth plans; additional good news -- since United mainline has entered service, average year end fares have dropped indicating strong competition keeping fares manageable. Questions followed. Nashville Charter update -- real close, should be able to have public announcement by the first of November.

- Airfield operations and development:
 - * Airside: Mr. Blaine Peterson, Director of Operations, spoke on the Runway 9/27 reconstruction update -- finished the grooving process, still some issues, there are minor clean ups and punch list items to be completed. Questions followed.
 - * Landside: Mr. Ryan Welch, Airport Facilities Manager, presented and overviewed on data compiled over the past several years showing positive energy saving results for the terminal. Questions followed, Mr. Werner detailed further. Mr. Welch was thanked for his great work.
 - * Business/Property Development: Ms. Jana Kayser, Part Time Bookkeeper, updated on the airline agreements, very good meeting with the airlines in September, final legal review meeting today, hope to have completed agreements by the end of the year. She summarized on several Cirrus building leases – Building #311 and Hangar 104; both in need of investments and improvements; in early stages for researching investments or alternatives. Commercial vehicle policy update – Ms. Kayser explained background process and spoke on the off airport operations and issues -- plan to implement off airport language into the commercial vehicle policy and bring forward to the Board for approval in November.
 - * Sky Harbor: Mr. Peterson spoke on the runway realignment project, going great, should be finished by the end of the month. Ms. Benita Crow, SEH, presented and reviewed on the drone video of the runway realignment construction project. Ms. Crow was thanked for the footage.
- Marketing: Ms. Natalie Peterson, Director of Communications and Marketing, updated on the Business Service Center (BSC) -- moving along great, she described timeline, build out, furniture and accessories (all local products) and marketing; will hold an operations meeting this week to review functions of the BSC and plan for first of the year opening. Bentleyville DAA volunteer night will be December 16th, there are still openings to be filled. Fly Local campaign – moving forward, developed logo and planning to launch first of the year with the BSC opening. UMD marketing – launched one week ago, receiving a lot of social presence, very fun promo and partnership with UMD. Duluthian will be doing a piece in their November/December publication entitled “Building Our City”, Sky Harbor Airport project will be included. Wounded Warriors – a group of five will be flying in this Thursday -- always an honor and privilege to welcome them to this airport and community. Collier Trophy Award – received a request from Cirrus to have the airport host and hold the award for the public to enjoy -- working through the details, more to come.
- Legislative: Mr. Werner spoke on the five-year FAA Reauthorization bill that was passed. He summarized on the LASAC meeting and recapped on the 2019 legislative priorities.

Questions and discussion followed on several of the Executive Director’s review items. Dir. Tanski moved to approve the September 18, 2018 meeting minutes and other consent items. Dir. McIsaac seconded. Motion carried.

CONSENT ITEMS

Cash Disbursement Sheets #19 and #20, 2018. Construction Fund Sheets #11 and #12, 2018.
Weekly Duluth International Airport tenant operations meeting minutes September 11, 2018 through October 09, 2018.

E-Mail from Monaco Air Foundation with summary of September 2018 activities.

Forbes Magazine article "Don't Overlook Regional Airports' Importance".

Monthly Construction Project Progress Report for Airfield Perimeter Fence, Phase 1 Report #8, Airfield Perimeter Fence, Phase 2 Report #3, Runway 9/27 Reconstruction, Phase 1 Report #8, Runway 9/27 Reconstruction, Phase 2 Report #8, Runway 9/27 Obstruction Removal Report #5 and Sky Harbor Airport Runway Relocation, Phase 2, Report #1.

Sky Harbor Runway Relocation newsletter – Volume 8.

Link for Metropolitan Airports Commission (MAC) Commission Minutes – <https://metroairports.org/Airport-Authority/Metropolitan-Airports-Commission/Public-Meetings/Board-Meetings.aspx>.

OPPORTUNITY FOR PERSONS TO BE HEARD

Mr. Don Monaco, Monaco Air, spoke on the creation of the Duluth International Airport Tenants Association (DIATA). He summarized on the Board, officers, members and status of the organization. He outlined the key charter roles – ability to speak with one voice for strategic planning, helping with economic development and political matters for the aviation industry. The DIATA are partners with the Airport Authority and view this as a very positive step. Questions followed. Mr. Monaco was thanked for his update.

OLD BUSINESS

None.

NEW BUSINESS

Ms. Joelle Bodin, Director of Finance & Administration, summarized and highlighted the changes on the rates and charge addendums for Sky Harbor (DYT) and Duluth International Airport (DLH). Dir. McIsaac moved to approve the resolution for the 2019 rates and charges addendum for DLH. Dir. Stewart seconded. Motion carried.

Dir. Fedora moved to approve the resolution for the 2019 rates and charges addendum for DYT. Dir. Tanski seconded. Motion carried.

Ms. Bodin spoke on the annual budget; no assumptions have changed from the last draft. Dir. Fedora moved to approve the resolution for the Duluth Airport Authority 2019 annual budget. Dir. Stewart seconded. Motion carried.

Mr. Peterson provided background information on the tax-forfeited land and reviewed the process with St. Louis County. Ms. Joan Christensen, Deputy City Attorney described the conditional use deed. Questions and discussion followed. Dir. Maki recused herself from this resolution. Dir. Tanski moved to approve the resolution authorizing application for a State conditional use deed for tax-forfeited land. Dir. Stewart seconded. Motion carried.

Dir. Tanski moved to adjourn the meeting. Dir. McIsaac seconded. Motion carried. Pres. Butler adjourned the October 16th DAA Board meeting at 8:54 a.m.

Respectfully submitted,

Mary Ann Wittkop
Recording Secretary

APPROVED: Kenneth O. Beut DATE: 11-20-18