



Air Service Review Session DAA Special Meeting

DATE: July 29, 2016

PLACE: Pier B Resort
Pilots House Room

DIRECTORS PRESENT: Pat Mullen
Ken Butler
Sue Ross
Richard Stewart
Todd Fedora

OTHERS PRESENT: Tom Werner, Executive Director
Mary Ann Wittkop, Recording Secretary
Natalie Peterson, Com. & Marketing Director
Joelle Bodin, Finance & Administration Director
Joan Christensen, Assistant City Attorney
John DeCoster, Trillion Aviation
Mike Bown, Trillion Aviation
Ken Stromquist, Past DAA Director
Heather Rand, City of Duluth
Benita Crow, SEH
Kaci Nowicki, SEH
Shawn McMahon, SEH
Scott Sannes, SEH

President Mullen welcomed everyone to the continuation of the air service sessions and called the meeting to order at 8:00 a.m. He asked Mr. Tom Werner to recap his priorities from yesterday's discussion. Mr. Werner thanked all the participants for their comments and spoke on several themes. The overall theme seemed to focus on reversal of leakage, then leisure carrier destinations -- with hesitation on subsidies. He commented on today's topics and presentations.

Ms. Joelle Bodin, Director of Administration and Finance, presented and summarized on the types of airport revenues, trends, and data. Mr. Werner, Mr. John DeCoster and Mr. Mike Bown, Trillion Aviation, detailed further on destination markets. Questions and discussion followed.

Dir. Fedora arrived at 8:50 a.m.

Mr. Werner spoke on methods to address passenger growth and leakage. Mr. DeCoster presented background information on an innovative option to address the leakage issue

and generate revenue. He reviewed and summarized on several concept plans for ground shuttle opportunities. He presented the options, source of funding, pros and cons and costs to each plan. Detailed discussion, questions and comments followed. Mr. Werner recommended addressing the leakage issue further at the upcoming August Board meeting. Questions and discussion followed.

Mr. Werner commented on the format moving forward and the discussions planned. He recommended a ten minute break at 9:32 a.m.

Mr. Werner reconvened the session at 9:42 a.m. He thanked everyone for the detailed conversation, hopefully will be able to come back to the topic. He introduced Ms. Natalie Peterson, Communication and Marketing Director to speak on the upcoming marketing campaign. Ms. Peterson summarized on the marketing funding grant and the new marketing campaign, travel globally/fly locally. She spoke on the strategy, core message and goals. She detailed and presented samples on the campaign with the local and regional feel and summarized on the digital, commercial, radio and billboard ads. Comments and questions followed. Pres. Mullen thanked Ms. Peterson for the great preview and expressed his appreciation to the DAA staff for all their work.

Pres. Mullen spoke on Board interaction by engaging and supporting DAA staff and operations, along with stakeholders and educating the public. Discussion around the table followed on interest, how to establish subcommittees and define the structure and framework. Questions followed on By Laws, open meeting laws and public notice. Structure and questions will need to be researched further. General consensus was supportive and to move forward. Pres. Mullen will contact members to see areas of interest for committees, examples -- property development, marketing, finance, legislative and public policy, along with ad hoc committees. He will recap at a later date.

Mr. Werner opened up to the Board to go back and revisit any topics previously discussed at these sessions. Comments and discuss followed. He summarized on the discussions with key points as – strong interest in strategies to address the leakage issue, pursue a leisure carrier; exploring the ground transportation opportunities and finally increasing Board engagement. Pres. Mullen detailed further. Mr. Werner requested any feedback or comments regarding these sessions.

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Pres. Mullen thanked all the Board members for their participation in these sessions to support the airport. Dir. Butler moved to adjourn the special session. Dir. Stewart seconded. Pres. Mullen adjourned the air service review session for July 29th at 10:50 a.m.

Respectfully submitted,

Mary Ann Wittkop
Recording Secretary

APPROVED: Kenneth D Butler DATE: 9-20-16