



DULUTH INTERNATIONAL AIRPORT

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MINUTES OF THE MEETING

DATE: December 18, 2018

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

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

DIRECTORS ABSENT: Ken Butler

OTHERS PRESENT: Tom Werner, Executive Director
Mary Ann Wittkop, Recording Secretary
Blaine Peterson, Director of Operations
Natalie Peterson, Director of Communications & Marketing
Joelle Bodin, Director of Finance & Administration
Ryan Welch, Airport Facilities Manager
Brian Madsen, Sky Harbor Manager
Jana Kayser, Business Development Manager
Steve Wabrowetz, Airside Manager
Dan Taylor, DAA
Wade Cossalter, DAA
Benita Crow, SEH
Kaci Nowicki, SEH
Ryan Jones, KLJ
Don Monaco, Monaco Air Duluth
Bill King, Cirrus
Ryan Juntti, WDIO

Vice President Tanski called the meeting to order at 8:00 a.m. she will be presiding for Pres. Butler who could not be here today. She invited Mr. Tom Werner, Executive Director, to present on the Executive review. Mr. Werner updated on the following:

EXECUTIVE DIRECTOR'S REVIEW

- Air Service: The good news continues with an increase of 10.9% on the year to date (YTD) passenger numbers and an increase of 24% from November 2017 to 2018. Delta trending in the right direction with a 2.6% YTD increase. United had a 24.1% increase and a very strong November 2017 to 2018 increase of 45.6% -- November was a very solid month. Nashville

Charter update – initial bookings were a little slow, now running a sales promotion and sales are increasing. Questions followed.

- Airfield operations and development:
 - * Airside: Mr. Blaine Peterson, Director of Operations, Runway 9/27 reconstruction is on pause until next year, will then meet with the Phase 3 contractors. November 23rd airfield incident – this is still an ongoing investigation process, considered sensitive security information. He overviewed on the unauthorized vehicle incident on the airfield and detailed on the responding agencies that participated, timeline and techniques used to apprehend the suspect. The overall response and actions for this incident went very well. A very well attended after action review meeting was held with all agencies for discussion on the pros and cons of this incident. Questions followed. Mr. Werner congratulated Mr. Peterson for his tremendous job in organizing the meeting; there was representation from all jurisdictions and great dialogue on this event. Mr. Peterson continued on to the Delta Global Services merger update – summarized on the ground handling merger process, changes, lost benefits and possible impacts due to the change; monitoring process. Discussion and questions followed.
 - * Business/Property Development: Mr. Werner congratulated Ms. Jana Kayser; she will be the new DAA Business Development Manager and will be starting full time in the role soon. Ms. Kayser spoke on the handout and explained the formal notice for breach of agreement and timeline. Questions followed. She updated on the TSA terminal space lease agreement -- working on details and adjustments for accuracy. Cirrus Hangar 104 lease, reviewed process for building analysis and results – more to come as we continue to work with Cirrus. Sky Harbor Lot 8, second RFP outcome – no proposals, will remain as future development. Mr. Werner and Dir. Stewart detailed further.
- Marketing: Ms. Natalie Peterson, Director of Communications and Marketing – presented and overviewed on the Club DLH Business Suite, sponsored by St. Luke's Hospital. More information to come on the launch event date. Mr. Werner expressed his appreciation to Ms. Peterson for all her hard work and thanked the Monaco Foundation, St. Luke's and Oakwells for their partnership. Nashville Charter – reviewed all the marketing details happening at this time.
- Legislative: The Local Air Service Action Committee (LASAC) quarterly meeting was held here -- Mr. Werner overviewed the meeting and explained the focus was on legislative priorities. He spoke on the MMB budget forecast, more detailed updates in the future. Spoke with Congressman Elect Stauber's Chief of Staff; he is interested in continuing the 8th congressional district's presence on the Transportation and Infrastructure Committee.
- Presentations/Tours/Travel Recap: Mr. Werner attended the AAAE Capital Financial Conference last month, great informational conference.
- Other: Last week presented an airport orientation to the new City Administrator and next week will hold an orientation with City Councilor Arik Forsman.

Questions and discussion followed on several of the Executive Director's review items. Dir. Stewart moved to approve the November 20, 2018 meeting minutes, and other consent items. Dir. McIsaac seconded. Motion carried.

CONSENT ITEMS

Cash Disbursement Sheets #23 and #24, 2018. Construction Fund Sheet #14, 2018.

Airport news: Duluth International Airport "New Charter Flight from Duluth Direct to Nashville – One of the Hottest Cities in the USA!", Delta News Hub: "Delta Global Services to Combine with Argenbright Holdings to Create Premier Aviation Handling Provider", North Star Port Fall 2018 "Sky Harbor Runway Relocation Enters New Phase" and Duluthian November and December 2018 "The People's Airport – the \$9.3 Million Sky Harbor Airport Runway Realignment Project Prepares to Wrap Up in 2019".

Weekly Duluth International Airport tenant operations meeting minutes October 16, 2018 through November 16, 2018.

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

Letter from U.S. Customs and Border Protection to DAA regarding US Federal Inspection Service (FIS) at Duluth International Airport.

December monthly Duluth International Airport tenant operations meeting minutes.

Sky Harbor Runway Relocation newsletter – Volume 10.

Informational letter from the Iowa Public Airports Association regarding "Pilot Shortage – Why Iowa Should Be Concerned".

City of Duluth Communications Office – "City of Duluth Combining Departments for Greater Impact".

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

None.

OLD BUSINESS

None.

NEW BUSINESS

Ms. Peterson overviewed on the sponsorship agreement for the new Club DLH Business Suite and recommended approval. Dir. Fedora moved to approve the sponsorship agreement between

the Duluth Airport Authority and St. Luke's Hospital of Duluth. Dir. Maki seconded. Motion carried.

Mr. Werner explained Items B, C and D are similar in language, but three different airlines. Vice President Tanski recommended entertaining approval of all three as one vote. Ms. Kayser summarized on the airline agreements and the process, very good negotiations. Questions and discussion followed. Dir. Fedora moved to approve Item B, C and D resolutions for the Airline Use and Lease agreement between the Duluth Airport Authority and Delta Airlines, United Airlines, Inc. and SkyWest Airlines, Inc. Dir. McIsaac seconded. Motion carried.

Mr. Peterson recognized three employees for their exceptional performance this year. He detailed on the responsibilities, accomplishments and circumstances for each individual and recommended approval of incentive awards. Mr. Werner expressed his appreciation for their behind the scene responses to critical incidents. Dir. Maki moved to approve the resolution for incentive award payments of \$300 for outstanding performance per the DAA Operations Policy #5 Employee Incentive Awards for the following employees – Dan Taylor, Maintenance Supervisor, Wade Cossalter, Airport II and Ryan Welch, Airport Facilities Manager. Dir. Stewart seconded. Motion carried.

Dir. Fedora recommended that next month an overview on the DAA's IT security measures to protect airport hardware be presented to the Board.

Dir. McIsaac moved to adjourn the meeting. Dir. Stewart seconded. Motion carried. Vice President Tanski adjourned the December 18th DAA Board meeting at 8:59 a.m.

Respectfully submitted,

Mary Ann Wittkop
Recording Secretary

APPROVED: Kenneth O. Bush DATE: 1-15-19