



DULUTH INTERNATIONAL AIRPORT

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MINUTES OF THE MEETING

DATE: September 18 2018

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

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

DIRECTORS ABSENT: Craig Fellman
Richard Stewart

OTHERS PRESENT: Tom Werner, Executive Director
Mary Ann Wittkop, Recording Secretary
Joan Christensen, Assistant City Attorney
Blaine Peterson, Director of Operations
Joelle Bodin, Director of Finance & Administration
Kathy Carver, Confidential Bookkeeper
Jana Kayser, Part Time Bookkeeper
Benita Crow, SEH
Kaci Nowicki, SEH
Shawn McMahon, SEH
Ryan Jones, KLJ
Don Monaco, Monaco Air Duluth
Bill King, Cirrus
Anne Thomas, Budget Rent A Car
Jerry Simonson, Hertz

President Butler called the meeting to order at 8:02 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: Increase of 8% on the year to date (YTD) passenger numbers, with an increase of 11% from August 2017 to 2018. Delta maintained with a 1.4% YTD increase, spoke on the meeting with new Delta network planner – route doing well, no major changes planned, presentation is in this packet.

Dir. Tanski arrived at 8:04 a.m.

United very strong with a 17.6% increase, CRJ and mainline load factors doing very well. He presented on the completion factor and on time performance for the air service at Duluth International. Questions followed.

- Airfield operations and development:
 - * Airside: Mr. Werner reviewed the handout Request for Qualification (RFQ) for the Master Plan process; it is complete and posted. Mr. Blaine Peterson, Director of Operations, overviewed on the Public Involvement Plan (PIP) for Phase 3, Runway 9/27 Reconstruction project – goal is for all airfield tenants and stakeholders understand the schedule, timeline for the project and to receive feedback during this process. Touched on the five diversions the previous night due to MSP having severe thunderstorms, everything went smoothly, thanks to professionalism from all involved.
 - * Business/Property Development: Mr. Werner updated on the airline agreements, meeting with airlines next week, very close to finalizing the agreement. Lake Superior Helicopter's operating agreement, the signed short term extension ends this month, have been working through renewal process, may have to suspend operations if agreement is not reached, will update next month.
 - * Sky Harbor: Mr. Peterson overviewed the runway realignment project, going very well. He invited Ms. Benita Crow, SEH, to review on the land release process. She summarized on the background information for the existing and future runway; explained the property ownership, aeronautical protected land and the release of the unique DAA property to the SNA program with the realignment. She spoke on the very detailed processes, next steps and timelines. Questions followed. Mr. Werner detailed further.
- Financial: Ms. Jana Kayser, Part Time Bookkeeper, summarized on the off airport car rental operations and spoke on solutions and options -- plan to implement the off airport operations into the Commercial Vehicle Policy in October for final approval. Questions followed, Mr. Werner spoke on honoring the relationship with the on airport agencies. Ms. Joelle Bodin, Director of Finance & Administration, overviewed on the draft rates and charges for Sky Harbor (DYT) and DLH, she highlighted recommended adjustments and changes. Ms. Bodin reviewed and itemized on the draft 2019 budget assumptions, Mr. Werner detailed further. Plan for both drafts to be approved at the October meeting.
- Marketing: Mr. Werner updated on the Business Service Center, confident the January 1st opening goal will be met. Spoke on the partnership once again with Bentleyville, DAA volunteer night will be December 16th.
- Legislative: Mr. Werner overviewed and detailed on the MnDOT leadership meeting, highlighted key initiatives, very good meeting.

Questions and discussion followed on several of the Executive Director's review items. Dir. McIsaac moved to approve the August 15, 2018 special meeting minutes, August 21, 2018 meeting minutes and other consent items. Dir. Tanski seconded. Motion carried.

CONSENT ITEMS

Cash Disbursement Sheets #17 and #18, 2018.

Airport News: Forbes magazine article "Does David Neeleman Have a Clear Flight Path for His New Airline?", "News from Don Monaco, Commissioner for the Metropolitan Airports Commission (MAC)" and August Albatross Airport Newsletter.

Weekly Duluth International Airport tenant operations meeting minutes August 21, 2018 through September 04, 2018.

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

September 2018 Delta Air Lines Presentation.

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. Kayser described background information and reviewed the land lease agreement. She recommended approval. Questions followed. Dir. Maki moved to approve the resolution for the land lease agreement between the Duluth Airport Authority and the Western Lake Superior Sanitary District (WLSSD). Dir. McIsaac seconded. Motion carried. Dir. Fedora abstained due to a professional affiliation with WLSSD.

Mr. Werner spoke on the charter airline agreement and thanked Mr. Don Monaco again for his partnership. He recommended approval. Dir. Tanski move to approve the resolution for the charter airline agreement between the Duluth Airport Authority and Monaco Aviation to facilitate Nashville Charter Service. Dir. McIsaac seconded. Motion carried.

Ms. Kayser presented background information and summarized on the Hangar #2 building condition. Due to lack of funding and no interested parties for operations, recommend to decommission for the winter. Questions and discussion followed. Mr. Werner detailed further on redevelopment and the Master Plan. Dir. Fedora moved to approve the resolution for Hangar #2 decommission. Dir. Maki seconded. Motion carried.

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Dir. Tanski moved to adjourn the meeting. Dir. McIsaac seconded. Motion carried. Pres. Butler adjourned the September 18th DAA Board meeting at 9:16 a.m.

Respectfully submitted,

Mary Ann Wittkop
Recording Secretary

APPROVED: Kenneth D. Butler DATE: 10-16-18