



DULUTH INTERNATIONAL AIRPORT

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MINUTES OF THE MEETING

DATE: May 18, 2021

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

DIRECTORS PRESENT: Anna Tanski
Craig Fellman
Jeff Anderson

DIRECTORS PARTICIPATING VIA ELECTRONICS

MEANS: Todd Fedora
Don McIsaac

DIRECTORS ABSENT: Kim Maki
Elissa Hansen

OTHERS PRESENT: Tom Werner, Executive Director
Mary Ann Wittkop, Recording Secretary
Mark Papko, Director of Operations
Natalie Peterson, Director of Communications & Marketing
Jana Kayser, Business Development Manager
Joelle Bodin, Director of Finance & Administration

OTHERS PARTICIPATING VIA ELECTRONICS

MEANS: Kathy Leon, Confidential Bookkeeper
Kaci Nowicki, SEH
Shawn McMahon, SEH
Matt Stewart, SEH
Scott Sannes, SEH
Allison Andrashko, SEH
Jesse Baker, SEH
Don Monaco, Monaco Air
Scott Wright, Landline
Paul Huston

President Tanski welcomed everyone to the DAA May Board meeting and called it to order at 8:00 a.m. She noted Dir. Fellman, Dir. Anderson and herself as present and Dir. Fedora and Dir. McIsaac participating virtually. Mr. Tom Werner, Executive Director, updated on the Executive Director's review:

EXECUTIVE DIRECTOR'S REVIEW:

- Air Service: Due to the passenger percentage numbers being very off compared to last year, Mr. Werner presented a slide show that included the 2019 comparison for a better sense on where air service is really at -- highlighted total passengers, seats, air service national and local notes; also presented key airport metrics – freight, fuel sales, parking, rental cars, and restaurant sales. Questions followed.
- Operations:

- Planning: Master Plan (MP) and Part 150 Noise Study -- Ms. Kaci Nowicki, SEH, reviewed the MP recent activities, upcoming stakeholder meetings and next steps – all materials and summaries are posted to the project website. Part 150 noise study update – updated on the project progress, next steps including timeline for finalizing review, public workshop, public hearing, DAA board adoption and FAA review; Mr. Werner detailed further.
- Operations: Mr. Mark Papko, Director of Operations, briefed on the design construction phase, bid and grant process, construction slated for spring of 2022; annual FAA Part 139 inspection – in person June 14th and the E-documentation will be in August. Operations Manager transition plan – several internal changes the interim Airport Facilities Manager, Ken Timm, is now the Sky Harbor Manager and DAA is recruiting for the Facilities Manager position; Airside Manager, Steve Wabrowetz, is retiring end of August with current Facilities Manager, Ryan Welch, taking that position September 1st. Updated on Hangar 101, summer air show and Terminal roof.
- Sky Harbor -- Mr. Matt Stewart, SEH, updated on the Sky Harbor master plan project – spoke on the progress, next steps, and upcoming meetings; meeting materials and summaries are posted to the project website.
- Business/Property Development: Ms. Jana Kayser, Business Development Manager, briefed on the termination notice received from Hertz rental car, timeline, and vacancy options – more to come. Mr. Werner spoke on the rental car issues due to the pandemic.
- Financials: Ms. Joelle Bodin, Finance and Administration Director, audit went very well, with no issues, will be receiving final published version soon. She presented the 2020 wrap up and first quarter 2021 financial update, Mr. Werner detailed further. Questions followed.
- Marketing/Communications: Ms. Natalie Peterson, Director of Communications & Marketing, briefed on the customer survey -- putting information together to present and build the marketing strategy.
- Legislative: Mr. Werner explained DAA will not be submitting a bonding request this year, working with FAA to get a sighting study done, will resubmit down the road. Hoping the LCCMR amendment passes with the Environmental Omnibus bill; thanked Dir. Anderson for being an advocate for the airport.
- Presentations: Mr. Werner presented in person to Leadership Duluth, great group and interaction.
- Other: Mr. Werner reviewed the President’s Executive Order on wearing masks, the airport is a federally regulated facility which mandates wearing masks inside and outside of the terminal. Mr. Papko briefed on the Joint Airport Zoning Board (JAZB) – meeting with MnDOT Friday with language and definitions for the vulnerable populations zoning, moving forward. Mr. Werner announced Mr. Kayser and Ms. Bodin have completed their certified member certification with AAAE, congratulated them both for their tremendous accomplishments. Mr. Werner introduced Mr. Scott Wright, General Manager of Operations, to present on The Landline Company. He highlighted on the products, offerings, operations, routes and new enroute entertainment. Mr. Wright was thanked for his presentation.

Questions and discussion followed on several of the Executive Director’s review items. Dir. McIsaac moved to approve the April 20, 2021 meeting minutes and consent items. Dir. Fellman seconded. Roll call, -- all ayes, motion carried.

CONSENT ITEMS

Cash Disbursement Sheets #14 #15, #16, and #17, 2021. Construction fund disbursement sheet #4, 2021.

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Notice of termination letter from Hertz Overland West, Inc.

Letter from Citizens Committee Environmental Concerns (CCEC) regarding Good – Future Mitigation \$\$, Bad – Abatement of Sources, Ugly – Lack of Citizen Involvement and April 30, response letter from DAA to CCEC.

Community Project Funding Application, Duluth International Airport.

Airport news -- DAA media advisory “Duluth International Airport Press Conference to Announce New Air Service”; press release “Sun Country Announces New Nonstop Service from Duluth” and Fox 21 article “Groome Transportation to Resume Shuttles from Duluth to MSP Airport”.

E-Mail from Monaco Air Foundation with summary of April 2021 activities.

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

March 2021 financial report, April 2021 accounts receivables, and airport statistics.

OPPORTUNITY FOR PERSONS TO BE HEARD

None.

OLD BUSINESS

None.

NEW BUSINESS

Mr. Werner recommended combining the next three resolutions under one approval – he overviewed the provisions to terminate the emergency adjustments in response to Covid-19. If approved the June board meeting will go back to regular board meetings with public attendance. Dir. Anderson moved to approve the resolution terminating the resolution declaring a special emergency in response to COVID-19 dated April 21, 2020; resolution terminating the resolution regarding determination under Minnesota Statutes, Section 13D.01 as to in-person meetings dated April 14, 2020, and resolution terminating resolution authorizing modification of leases in response to the COVID-19 emergency dated April 21, 2020. Dir. Fedora seconded. Roll call – all ayes. Motion carried. Mr. Werner thanked the Board for all their support and trust last year with these three provisions.

Ms. Kayser reviewed the annual agreement for the lottery machines. Dir. Fedora moved to approve the resolution for the retailer concession contract and addendum between the Duluth Airport Authority and Minnesota State Lottery. Dir McIsaac seconded. Roll call – all ayes – motion carried.

Dir. McIsaac and Dir. Fellman stated they would abstain from this conversation and resolution. Discussion followed on quorum and voting electronically. Legal counsel advised to proceed with vote and possibly could conduct electronically to reach a quorum. Dir. Anderson moved to approve the resolution for Building 311 mechanical heating systems upgrade between the Duluth Airport Authority and the Jamar Company. Dir. Fedora seconded. Roll call – Dir. McIsaac and Dir. Fellman abstained. Pres. Tanski, Dir. Fedora, Dir. Anderson ayes. Legal counsel reviewed the DAA Board Bylaws, Minnesota Act establishing DAA, and the Minnesota Statutes regarding board voting. A quorum is needed to hold a meeting and then a majority affirmative vote at the meeting for passage. Abstentions do

not count as a vote for or against; three affirmative votes are enough for passage. Three ayes – motion carried.

Ms. Bodin summarized on the write off for accounts receivable and the Trump rally. Dir. Fellman moved to approve the resolution to write-off of an accounts receivable balance of \$15,000 for Donald J. Trump for President, Inc. per Operating Policy #23. Dir. McIsaac seconded to move forward. Questions and discussion followed. Roll call – Dir. Anderson nay; Dir. Fellman aye; Dir. Fedora aye; Dir. McIsaac nay; Pres. Tanski aye. Three affirmative, motion carried. Conversation followed; Dir. Anderson recommended to consider adopting a policy for future public events that certain fees should be paid in advance.

Ms. Bodin overviewed on the grant agreement. Dir. Fellman moved to accept and approve the resolution for the Airport Coronavirus Response Grant Program (ACRGP) grant addendum 3-27-0024-068-2021 in the amount of \$33,311 and to authorize the Duluth Airport Authority's President and Secretary to execute the grant and any amendments. Dir. McIsaac seconded. Roll call – all ayes – motion carried.

Ms. Peterson briefed on the sponsorship agreement and recommended approval. Dir. Anderson moved to approve the resolution for the sponsorship agreement between the Duluth Airport Authority and MN State Lottery. Dir. Fedora seconded. Roll call – all ayes – motion carried.

Pres. Tanski mentioned the new slate of officers will be considered at next month's meeting and to please let her know if there is interest in the opportunity to be Secretary. Dir. Anderson noted that the LCCMR funds benefit from the interest generated from the sales of the MN lottery and Sky Harbor Airport has benefited from those funds.

President Tanski adjourned the May 18th DAA board meeting at 9:26 a.m.

Respectfully submitted,

Mary Ann Wittkop
Recording Secretary

APPROVED: *Renea Tanski* DATE: 6-15-21