



DULUTH INTERNATIONAL AIRPORT

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MINUTES OF THE MEETING

DATE: February 15, 2022

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

DIRECTORS PRESENT: Craig Fellman
Kim Maki
Todd Fedora
Kevin O'Brien

DIRECTORS PARTICIPATING VIA ELECTRONICS MEANS:

Jeff Anderson

DIRECTORS ABSENT Elissa Hansen

OTHERS PRESENT: Tom Werner, Executive Director
Mary Ann Wittkop, Recording Secretary
Steve Hanke, Assistant City Attorney
Mark Papko, Director of Operations
Natalie Peterson, Director of Communications & Marketing
Jana Kayser, Business Development Manager
Joelle Bodin, Finance & Administration Director
Matt Snell, Public Safety Manager
Amanda McDonald, PT Airport Security Specialist
Shawn McMahan, SEH
Natalie White, SEH
Mike Magni, Monaco Air
Bill King, Cirrus Aircraft
Eric Monson, Lake Superior Helicopters

OTHERS PARTICIPATING VIA ELECTRONICS

MEANS: Kathy Leon, Confidential Bookkeeper
Don Monaco, Monaco Air
Scott Sannes, SEH

President Fellman welcomed everyone to the DAA February Board meeting and called it to order at 8:00 a.m. He performed roll call with Dir. O'Brien, Dir. Fedora, and Dir. Maki as present; Dir. Anderson participating virtually. He invited Mr. Tom Werner to update on the Executive Director's review:

- Air Service: Mr. Werner presented the airport air service update reviewing January total passengers, airline load factors, seats, national and local air services news and updates; met with Sun Country Airlines last week for a market update, questions followed.
- Planning, Operations, and Maintenance:
 - Planning & Construction: Mr. Mark Papko, Director of Operations, mentioned the AFTIL reimbursement agreement will be an action item under New Business, more details at that time.

- Operations, and Maintenance: Mr. Papko summarized on the FAA bipartisan infrastructure law funding; updating Capital Improvement Plan (CIP) for future board approval. Internship program – overviewed unique program, recently posted an opportunity for a new intern, and have hired past intern to a full time DAA position; questions followed. Janitorial RFP is another action item and will be updated under New Business.
- Sky Harbor – Ms. Kaci Nowicki, SEH, briefed on the building area master plan project progress – sent interpretation of guidance to Customs and Border Protection (CBP) for their feedback and input; spoke on next steps.
- Business/Property Development: Ms. Jana Kayser, Business Development Manager, updated on the Hangar 104 appraisal – have received the document from consulting group; plan to present staff decision moving forward to the board next month. Preparing a RFQ for airport consulting services to assist with negotiations and planning for new airline lease and use agreement.
- Financial Update: Ms. Joelle Bodin, Finance & Administration Director, will be on maternity leave from June through September. She explained planned revisions for the purchasing operating policy #18; reviewed the ARPA concessionaire relief and concessionaire audit schedule. She presented the fourth quarter financial presentation.
- Marketing/Communications: Ms. Natalie Peterson, Director of Communications and Marketing, spoke on the Duluth and St. Louis County at the Capitol Days scheduled for March 9th and 10th and reviewed the DAA marketing message. Detailed on the TSA pre-check, will be hosting this event the week of March 14th; questions followed.
- Presentations: Mr. Werner presented the Master Plan to the Duluth Chamber Let’s Do Lunch and will be presenting to the Hermantown Chamber on February 24th.
- Other: Mr. Werner met with APEX, City of Duluth and Cirrus Aircraft to discuss their expansion plans; focusing on growth opportunities.

Pres. Fellman thanked everyone for their summary review; questions and discussion followed on several executive review items. Dir. Maki moved to approve the January 18, 2022 meeting minutes and consent items. Dir. O’Brien seconded. Roll call, Dir. Anderson, Dir. O’Brien, Dir. Fedora, Dir. Maki and Pres. Fellman all ayes, motion carried.

CONSENT ITEMS

Operating Cash Disbursement Sheets #2, #3, and #4, 2022. Construction Fund Disbursement Sheet #1, 2022, and Operating ACH Payment Register #2, #3 and #4, 2022.

Letter from Congressman Pete Stauber to U.S. Department of Transportation and the Federal Aviation Administration regarding the Infrastructure Investment and Jobs Act (IIJA) considerations to funding rules.

Airport news: The Dallas Morning News (TNS) “American Airlines Cuts Thousands of Flights in March as Pandemic Hopes Clash with Reality”.

E-mail from Monaco Air Foundation with summary of January 2022 activities.

Duluth International Airport internship informational booklet.

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

Draft December 2021 financial report, January 2022 accounts receivables, and airport statistics.

OPPORTUNITY FOR PERSONS TO BE HEARD

None.

OLD BUSINESS

None.

NEW BUSINESS

Mr. Werner read an excerpt from an appreciative passenger regarding the first-rate customer service experience and recommended approval for the incentive award. Dir. O'Brien moved to approve the resolution for an employee incentive award for the above and beyond customer service to Natalie Peterson in the amount of \$400 pursuant to the Duluth Airport Authority's Operating Policy #5. Dir. Fedora seconded. Discussion followed. Roll call – all ayes. Motion carried.

Mr. Papko reviewed the state grant award for the air traffic tower siting study. Questions and discussion followed. Dir. Maki moved to approve the resolution to accept MnDOT grant award for the Air Traffic Control Tower (AFTIL) siting study between MnDOT and the Duluth Airport Authority. Dir. O'Brien seconded. Roll call – all ayes. Motion carried.

Mr. Papko briefed background information regarding Hangar 101 and spoke on the environmental process. He introduced Ms. Kaci Nowicki and Ms. Natalie White, SEH, for further comment. Ms. Nowicki overviewed background, steps taken, assessments, history research and final evaluations; spoke on long term potential use and NEPA process. Ms. White summarized and detailed on the environmental assessment process. Dir. Fedora moved to approve the resolution for Work Order 2022-2 between the Duluth Airport Authority and Short Elliot Hendrickson, Inc. (SEH, Inc.) for the Hangar 101 environmental assessment. Dir. O'Brien seconded. Roll call – Dir. Anderson abstained, Dir. O'Brien, Dir. Fedora, Dir. Maki, and Pres. Fellman ayes, motion carried.

Mr. Papko explained the Sky Harbor terminal building study. Dir. Maki moved to approve the resolution for Work Order 2022-1 between the Duluth Airport Authority and Short Elliot Hendrickson, Inc. (SEH, Inc.) for the terminal building assessment and feasibility study (DYT). Dir. Fedora seconded. Roll call – Dir. Anderson abstained, Dir. O'Brien, Dir. Fedora, Dir. Maki, and Pres. Fellman ayes, motion carried.

Mr. Papko spoke on the current environment for vehicle purchasing and reviewed planned fleet additions. Questions followed. Dir. O'Brien moved to approve the resolution for purchase of 2022 GMC 2500HD and 2022 GMC Yukon from Kolar Chevrolet/GMC. Dir. Maki seconded. Roll call – Dir. Fedora abstained, Dir. O'Brien, Dir. Anderson, Dir. Maki, and Pres. Fellman ayes, motion carried.

Mr. Papko summarized on the RFQ timeline and extensive process for the janitorial agreement; he recommended approval. Dir. Fedora moved to approve the resolution for the janitorial agreement between the Duluth Airport Authority and Kleen-Tech. Dir. O'Brien seconded. Roll call – all ayes. Motion carried.

Ms. Kayser reviewed the Hertz termination request and explained the write-off amount. Questions and discussion followed. Dir. Maki moved to approve the resolution for the termination of the vehicle rental lease and concession agreement between the Duluth Airport Authority and Overland West Inc. d.b.a. Hertz Rent-A-Car and write off of accounts receivable balance of \$10,306.61 per operating policy #23. Dir. O'Brien seconded. Roll call – all ayes. Motion carried.

Ms. Kayser explained the two amendment items regarding the operating agreement and recommended approval. Dir. O'Brien moved to approve the resolution for the operator agreement amendment #13 between the Duluth Airport Authority and Monaco Air Duluth, LLC. Dir. Fedora seconded. Roll call – all ayes. Motion carried.

Ms. Kayser overviewed the amendment for the finishing facility agreement. Dir. Maki moved to approve the resolution for the finishing facility ground lease agreement amendment #2 between the Duluth Airport Authority and Cirrus Design Corporation. Dir. O'Brien seconded. Roll call – all ayes. Motion carried.

Ms. Bodin reviewed the amendment to the employee contract to apply pay increases; questions followed. Dir. Fedora moved to approve the resolution for amendment #1 to the 2020-2022 agreement between the Duluth Airport Authority and Local 66 of A.F.S.C.M.E. Minnesota Council 5. Dir. O'Brien seconded. Roll call – all ayes. Motion carried.

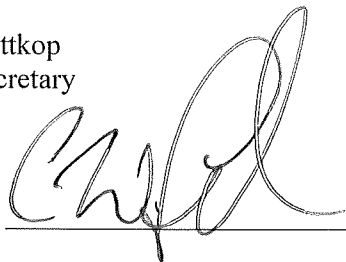
Ms. Bodin spoke on the support agreement concerning the Denver air service initiative and recommended approval. Dir. Maki moved to approve the resolution for the 2022-2023 Denver air service grant funding agreement by and between the Duluth Airport Authority and City of Duluth. Dir. O'Brien seconded. Roll call – all ayes. Motion carried.

Dir. Maki moved to adjourn the meeting; Dir O'Brien seconded. President Fellman adjourned the February 15th DAA board meeting at 9:28 a.m.

Respectfully submitted,

Mary Ann Wittkop
Recording Secretary

APPROVED: _____



DATE: _____

3-15-22