



# DULUTH AIRPORT AUTHORITY

## DULUTH AIRPORT AUTHORITY MEETING MINUTES APRIL 18, 2023

**MEETING LOCATION:** **AMATUZIO CONFERENCE ROOM  
DULUTH INTERNATIONAL AIRPORT**

**DIRECTORS PRESENT:** Kim Maki  
Jeff Anderson – Participating via Electronic Means  
Kevin O'Brien  
Jason Crawford  
Michael Henderson  
Elissa Hansen

**OTHERS PRESENT:** Tom Werner, DAA Executive Director  
Mark Papko, DAA Dir. of Operations  
Jana Kayser, DAA Dir. of Business Development  
Joelle Bodin, DAA Dir. of Finance and Admin  
Natalie Baker, DAA Dir. of Communications & Marketing  
Kaci Nowicki, SEH  
Shawn McMahon, SEH  
Scott Sannes, SEH  
Todd Erickson, Kraus Anderson

**OTHERS PARTICIPATING VIA ELECTRONIC MEANS:**  
Don Monaco, Monaco Air Duluth  
Kathy Leon, DAA  
Heather Fisher, Cirrus  
Matthew Steward, SEH  
Eric Monson, LSH

**CALL TO ORDER:** Dir. Maki called the DAA board meeting to order at 8:00 a.m. Roll call was performed:

- Present: Dir. Crawford, Dir. O'Brien, Dir. Henderson, Dir. Hansen, Dir. Anderson – via electronic means
- Absent: Dir. Markham

Dir. Maki invited Mr. Tom Werner to update on the Executive Director's review:

### **I. EXECUTIVE DIRECTORS REVIEW**

- **Air Service:** Mr. Werner provided an update on current air service.
- **Operations/Construction/Planning:** Mr. Papko provided the following updates:
  - ATCT Architecture and Engineering RFQ Update: Great attendance with 8 companies present. Hopefully will be coming to the board with a contract for approval in May.
  - ATCT Construction Delivery Method – described three methods allowable by the FAA and their pros and cons. Options include Design – Build, Construction Manager at Risk (CMAR), Design – Bid – Build.
  - 2023 Construction Season Update: A color coded map was shared with estimated dates for construction. The goal is to balance airfield impacts, construction, adhering to grant assurances and honoring our part.
  - VMS Software Change Over: The system is now fully functioning and provides better video coverage due to the wider angles provided by the camera. It is expected that additional cameras



will be swapped out, which will provide more video footage with less licenses and cost to the airport.

- Sky Harbor Airport Terminal Program – Sky Harbor Airport Terminal Design: Ms. Nowicki provided an update of the Sky Harbor Terminal design. Project bids and grant paperwork must be submitted to FAA by July 1, 2023. Site challenges, FAA funding eligibility, draft floor plan with site layout and construction impacts were discussed. Anticipated construction schedules were shared. Stakeholder outreach has been provided to Sky Harbor tenants, Park Point community Club will occur tonight and the City of Duluth will have multiple review meetings.
- Ms. Nowicki was able to share about the award that DAA, SEH and Landrum and Brown will be accepting at the MCOA conference next week. Mr. Werner expressed his gratitude for their hard work.
- **Business/Property Development:** Ms. Kayser provided an update on the following:
  - Lifelink: Lifelink had a meeting to begin with a letter of intent for a project with the DAA. Monaco provided local match for development right and is willing accept buyout of these rights to allow DAA to develop this area.
  - Airline Consultant RFQ: This is currently posted, and responses are due on May 9<sup>th</sup>.
- **Financial Update:** Ms. Bodin provided an update on the following topics:
  - 2022 Financial Audit: Ms. Bodin provided an update on the 2022 Financial Audit. Final audit work to be completed in the next two weeks.
  - Vacant Positions: Ms. Bodin informed the board that the Administrative Coordinator position is posted and over 30 applications have been received. Some short virtual interviews are happening this week and we are hoping to schedule in-person interviews the first part of next week. The finance technician position will be posted soon as well.
  - Ms. Bodin shared a slide which showed the preliminary successes of the new parking system.
- **Marketing/Communications:** Ms. Baker provided an update on the following topics:
  - Marketing RFQ and Timeline: Ms. Baker shared the RFQ timeline. Approval for a contract to be completed at the June board meeting.
- **Legislative:** Mr. Werner provided an update on the following topics:
  - Air Traffic Control Tower Legislative Funding Request: There is a lot of support for this project. DAA staff is hopeful our funding request. Dir. Anderson mentioned the house and senate tax bills are being unveiled and that will determine how some might vote. Expecting we will find out on May 22<sup>nd</sup>.
  - State Bill Banning PFAS in Class B Firefighting Foam:
  - Construction contract indemnity:
- **Presentations/Tours/Travel Recap:** Mr. Werner Provided an update on the following topic:
  - Grand Rapids Chamber of Commerce Update:
  - Leadership Retreat: Staff completed DISC training and a second phase of that training is expected later in the year.
  - Operations Department Evaluation: Discussed a review of the whole operations department and their needs for staffing.

## II. \*APPROVAL OF PREVIOUS MEETING MINUTES & OTHER CONSENT AGENDA ITEMS AS INDICATED BY

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A. Approval of March 21, 2023, Meeting Minutes.

- Dir. Maki thanked everyone for their reviews moved to item II of the agenda.
  - Motion: Dir. Hansen



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- Second: Dir. Henderson
- Abstain: None
- Result: Votes were taken by roll call. This resolution was adopted unanimously.

### III. \*DAA CASH DISBURSEMENTS

- A. Operating Check Register Sheets #6, #7 and #8 of 2023; Operating ACH Payment Registers #5, #6, #7 and #8 of 2023; Construction ACH Register #1 and Construction ACH Register #1 Pay.gov payment of 2023.

### IV. \*CORRESPONDENCE

- A. E-Mail from Monaco Air Foundation with Summary of March 2023 Activities; April 2, 2023.
- B. Link for Metropolitan Airports Commission (MAC) Minutes -- <https://metroairports.org/archived-commission-meetings>
- C. WDIO Article "Airport leaders excited about turnaround cruising and additional passengers" - Published March 28, 2023

### V. OPPORTUNITY FOR PERSONS TO BE HEARD

- None

### VI. OLD BUSINESS

- None

### VII. NEW BUSINESS

- A. Resolution to Approve Operating Agreement by and between Quality Mechanical Services and Duluth Airport Authority.
  - Ms. Kayser provided background information and context for this agreement.
  - Dir. Maki entertained questions or a motion.
    - Motion: Dir. O'Brien
    - Second: Dir. Crawford
    - Abstain: None
    - Result: Votes were taken by roll call. This resolution was adopted unanimously.
- B. Resolution to Approve Ground Transportation and Operating Agreement Amendment One by and between The Landline Company and Duluth Airport Authority.
  - Ms. Kayser explained that the Landline operations have evolved since they began operations at DLH. She discussed that this agreement better reflects their current operations. This arrangement is expected to remain in place until secure-to-secure operations begin.
  - Dir. Maki entertained questions or a motion.
    - Motion: Dir. Henderson
    - Second: Dir. Crawford
    - Abstain: None
    - Result: Votes were taken by roll call. This resolution was adopted unanimously.
- C. Resolution to Approve the Retailer Concession Contract and Addendum Between the Duluth Airport Authority and Minnesota State Lottery.
  - Ms. Kayser explained that this agreement is the same agreement as in prior years with only updated date terms for the lottery machines at the airport.
  - Dir. Maki entertained questions or a motion.
    - Motion: Dir. O'Brien
    - Second: Dir. Henderson
    - Abstain: None
    - Result: Votes were taken by roll call. This resolution was adopted unanimously.



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D. Resolution to Approve Work Order 2023 - 1 between the Duluth Airport Authority and Kraus Anderson Construction Company for Construction Phase Services as part of the Ranch Hangar project at Duluth International Airport (DLH).

- Ms. Kayser shared that this is the KA piece of the construction phase of the ranch hangar development project, expected to begin next month.
- Dir. Maki entertained questions or a motion.
  - Motion: Dir. Crawford
  - Second: Dir. Hansen
  - Abstain: None
  - Result: Votes were taken by roll call. This resolution was adopted unanimously.

E. Resolution to Award the Following Contracts for the Ranch Hangar Construction Project, Bid Package 1 of 1:

<b>Work Scope</b>		<b>Contractor, City, State</b>		<b>Bid Amount</b>
WS 01-A	Construction Testing & Inspections	WSB & Associates, Inc. Duluth, MN	Base Bid:	\$15,852.50
			Alternate #1:	\$0.00
			Total Contract:	\$15,852.50
WS 03-A	Concrete	Northland Constructors of Duluth, Inc. Duluth, MN	Base Bid:	\$281,600.00
			Alternate #1:	\$0.00
			Total Contract:	\$281,600.00
WS 08-D	Specialty Doors	Nordpal Corporation D/B/A Midland Door Solutions West Fargo, ND	Base Bid:	\$115,950.00
			Alternate #1:	\$0.00
			Total Contract:	\$115,950.00
WS 10-B	Signage Package	Duluth Electrical Contracting, Inc. Duluth, MN	Base Bid:	\$16,203.00
			Alternate #1:	\$0.00
			Total Contract:	\$16,203.00
WS 13-G	Pre- Engineered Metal Building – Material Only	Radotich, Inc. Hibbing, MN	Base Bid:	\$421,729.00
			Alternate #1:	\$0.00
			Total Contract:	\$421,729.00
WS 13-H	Pre- Engineered Metal Building – Erection Only	Radotich, Inc. Hibbing, MN	Base Bid:	\$268,250.00
			Alternate #1:	\$0.00
			Mandoor:	\$2,600.00
Total Contract:	\$270,850.00			
WS 23-B	Combined Mechanical	A.G. O'Brien Plumbing and Heating Co. Duluth, WI	Base Bid:	\$58,810.00
			Alternate #1:	\$4,935.00
			Total Contract:	\$63,745.00
WS 26-A	Electrical	Duluth Electrical Contracting, Inc. Duluth, MN	Base Bid:	\$99,343.00
			Alternate #1:	\$3,900.00
			Total Contract:	\$103,243.00
WS 31-A	Site Clearing and Earthwork	Ulland Brothers, Inc. Cloquet, MN	Base Bid:	\$474,180.00
			Alternate #1:	\$0.00
			Total Contract:	\$474,180.00
<b>Total Base Bid:</b>				<b>\$1,754,517.50</b>
<b>Total Alternate #1:</b>				<b>\$8,835.00</b>
<b>Total Contracts Amount:</b>				<b>\$1,763,352.50</b>



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- Ms. Kayser explained that these are the construction contracts for the ranch hangar project.
  - Dir. Maki asked whether construction estimates were received. Ms. Kayser and Mr. Werner explained the project came in substantially over the estimates, but in order to take advantage of the funding opportunity available the decision was made to move forward with the project with approval of the board.
  - Dir. Maki entertained questions or a motion.
    - Motion: Dir. O' Brien
    - Second: Dir. Henderson
    - Dir. Maki stated that she believes this is a good, strategic move and she appreciates the thoughtfulness put in to moving forward with the project to take advantage of funding opportunities.
    - Abstain: None
    - Result: Votes were taken by roll call. This resolution was adopted unanimously.
- F. Resolution to Approve Work Order 2023 – 2 between the Duluth Airport Authority and Short Elliot Hendrickson, Inc. for Construction Support of the Ranch Hangar project at Duluth International Airport (DLH).
- Ms. Kayser explained that this resolution is for SEH's participation in the construction phase of the ranch hangar project.
  - Dir. Maki entertained questions or a motion.
    - Motion: Dir. Crawford
    - Second: Dir. Hansen
    - Abstain: Dir. Anderson
    - Result: Votes were taken by roll call. All voting members said aye. This resolution was adopted.
- G. Resolution to Approve Work Order 2023 – 5 between the Duluth Airport Authority and Short Elliot Hendrickson, Inc. for the Design of North Business Development Hangar Construction Project at Duluth International Airport (DLH).
- Ms. Kayser explained that this resolution is for SEH's design of the LifeLink hangar project. This will not begin until a letter of intent is signed by LifeLink. This is a 90% Federal project.
  - Dir. Maki entertained questions or a motion.
    - Motion: Dir. Henderson
    - Second: Dir. Crawford
    - Abstain: Dir. Anderson
    - Result: Votes were taken by roll call. All voting members said aye. This resolution was adopted.
- H. Resolution to Approve Work Order 2023 – 4 between the Duluth Airport Authority and Short Elliot Hendrickson, Inc. for the Design of Midfield Ramp Hangar 105 Redevelopment Construction Project at Duluth International Airport (DLH).
- Ms. Kayser explained that this is the design contract for the fuel calibration hangar for Cirrus as the current hangar is in very poor condition and in need of redevelopment. A letter of intent is expected from Cirrus as well and this contract is being approved now so as not to delay the project.
  - Mr. Papko added that the goal is to try and get foundation and dirt work done this Fall and build throughout the winter.
  - Dir. Maki entertained questions or a motion.
    - Motion: Dir. Crawford
    - Second: Dir. O'Brien
    - Abstain: Dir. Anderson
    - Result: Votes were taken by roll call. All voting members said aye. This resolution was adopted.



- I. Resolution Authorizing an Agreement to Insure Certain Duluth Airport Authority Property and Equipment Under the City of Duluth’s Property and Boiler Insurance Policies.
  - Ms. Bodin explained that this resolution covers building property, equipment and boiler insurance policies covered under the City of Duluth. The total cost requested for approval is up to \$92,000 for these policies.
  - Dir. Maki entertained questions or a motion.
    - Motion: Dir. Hansen
    - Second: Dir. Henderson
    - Abstain: None
    - Result: Votes were taken by roll call. This resolution was adopted unanimously.
  
- J. Resolution to Accept and Approve the MnDOT Grant Agreement No. 1053224 for Air Service Marketing State Project No. A6091-SM031 and to Authorize the Duluth Airport Authority’s President and Secretary to Execute the Grant and any Amendments.
  - Ms. Baker explained the terms of this grant agreement and the total value of the agreement.
  - Dir. Maki entertained questions or a motion.
    - Motion: Dir. Hansen
    - Second: Dir. O’Brien
    - Abstain: None
    - Result: Votes were taken by roll call. This resolution was adopted unanimously.
  
- K. \*February 2023 Financial Reports
- L. \*April 2023 Accounts Receivable
- M. \*March 2023 Airline Statistics, Landline Statistics

**VIII. DIRECTOR’S REPORTS**

- Dir. Anderson reported that there is no report at this time and one can be expected at the next board meeting.
- Dir. O'Brien asked that with recent report of a fine imposed upon the DECC of PCA fine and whether the DAA is susceptible to anything similar. Mr. Werner described the issue as lack of reporting. Mr. Papko shared that the DAA staff works closely with the MPCA to get them engaged early and mitigate issues to the best of DAA’s ability. Mr. Papko explained that the DAA has policies which identify response for fuel spills or other accidents and incidents. So long as the policies are followed, we keep ourselves from being on the back end of those reporting issues.
- Dir. Hansen will be on the ATCT evaluation team.
- Dir. Maki commended DAA staff that decided to add green plants in the terminal.

**ADJOURN:** Dir. Maki entertained a motion to adjourn.

- Motion: Dir. Hansen
- Second: Dir. Henderson
- Abstain: None
- Result: Votes were taken by roll call. This resolution was adopted unanimously.
- The meeting was adjourned at 9:34 a.m.

Respectfully submitted,

Joelle Bodin  
Director of Finance & Administration

APPROVED: \_\_\_\_\_ DATE: \_\_\_\_\_