



DULUTH AIRPORT AUTHORITY

Duluth Airport Authority

Meeting Minutes

January 21, 2025

MEETING LOCATION: Amatuzio Conference Room, Duluth International Airport

DIRECTORS PRESENT: Kevin O'Brien, President
Michael Henderson, Vice President
Jeff Anderson, Secretary
Elissa Hansen
Jason Crawford
Briana Johnson

DIRECTORS PARTICIPATING VIA ELECTRONIC MEANS:
Jeff Anderson

DIRECTORS ABSENT: Sandy Hoff
Elissa Hansen arrived at 8:23 AM.

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 Administration
Natalie Baker, DAA Dir. of Marketing and Communications
Jenny Delnay, DAA Finance Technician
Aimee Bone, DAA Administrative Coordinator
Eric Monson, Lake Superior Helicopters
Rob Missinne, Monaco Air Duluth
Shawn McMahan, SEH
Kaci Nowicki, SEH

OTHERS PARTICIPATING VIA ELECTRONIC MEANS:
Dante Tomassini, Cirrus Aircraft
Robb Enslin, Duluth City Attorney
Ian Young, Duluth City Attorney
Horeya Czaplewski, EXP
Paul Huston, HNTB
Don Monaco, Monaco Air Duluth
Kaci Nowicki, SEH

CALL TO ORDER: Dir. O'Brien called the DAA board meeting to order at 8:00 a.m.

Dir. O'Brien invited Mr. Tom Werner to provide the Executive Director's Review

I. *EXECUTIVE DIRECTOR'S REVIEW

- A. **Air Service:** Mr. Werner provided an update on the current air service with a presentation.
- Mr. Werner presented year-to-date numbers:



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- End of 2024 recap. Seat capacity, YTD passengers up 9% over 2023, December enplanement up 20% over December 2023 (Delta 10% increase, United 33% increase).
- 2024 Q3 regional fares comparison benchmark, DLH fares down 12%, passengers up 18% for the quarter. Similar patterns for other regional airports.
- Load factors are strong (United low to mid-90s% for December, Delta up 5%, United up 26%, YTD Delta up 6%, United up 28%), positive outlook for 2025 with capacity in upward growth for end of 2024 and into 2025.
- 278,000 total DLH passengers in 2024, which is an 11% increase over 2023.
- Small Community Air Service Development (SCASD) grant change request has been submitted to DOT and upon approval to repurpose, will continue to pursue a low-cost carrier for western destinations.
- 2024 Q3 origin of destination from DLH up about 18% compared to 2023 Q3, average fare paid down 12%. DLH traffic growth was second highest in the region.

B. Operations/Construction/Planning: Mr. Papko provided the following updates:

- Construction:
 - Customs and Border Protection Federal Inspection Services Construction Update:
 - Mr. Papko shared that the airport is awaiting CBP's feedback on the proposal from the DAA, and the projected total cost is less than \$50,000. No formal action is needed at this time and the cost will be much lower than anticipated originally due to documentation supporting that the facility is FIS approved.
- Planning:
 - New Air Traffic Control Tower (ATCT) Update:
 - Mr. Werner asked about the status of the tower funding grants. Mr. Papko explained that the grants are staying active with smaller tower-related projects as DAA continues to seek full funding for the tower. Mr. Werner discussed 2025 tower funding advocacy.

C. Business/Property Development: Ms. Kayser provided an update on the following:

- LifeLink III Project Update: Ms. Kayser shared that the hangar project continues to move forward and will open for bids on February 25th.
- Lake Superior College Lease Update: Ms. Kayser is currently in negotiations to extend the Hangar 103 lease for five years (currently expires in February 2025) and is awaiting feedback from LSC.
- Commercial Vehicle Policy Update: Ms. Kayser shared that the policy is being updated for the first time since 2018 and working to install new technology on the commercial vehicle lane. More to come from Ms. Baker on engagement with the commercial vehicle operators.

D. Financial Update: Ms. Bodin provided an update on the following:

- Stormwater Update: Ms. Bodin shared that DLH is making progress on airport and lease boundaries resolution. Ms. Bodin is working with Kaplan & Kirsch on legal aspects of boundaries with stormwater at DYT, properties at DLH that flow outside of city



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boundaries. DAA has also proposed rights-of-way regarding exemption and non-exemption for runways, taxiways, and taxi lanes.

E. Marketing/Communications: Ms. Baker provided an update on the following:

- Duluth and St. Louis County Days: Ms. Baker shared that she is wrapping up planning for the event with the Duluth Chamber and presented an updated bifold for legislative efforts.
- Twin Ports Dermatology Renewal: Ms. Baker is working on renewing Twin Ports Dermatology's contract and 2-year base term for advertising.
- Customer Survey Results:
 - Ms. Baker shared that the survey captured travelers' demographics about DLH and how decisions are made. Most respondents travel primarily for leisure and less than once per month. Average length of booking time is 1-4 months ahead, and this will help the airport in marketing strategy to travelers. Those surveyed also ranked on-time and price/affordability/convenience as the highest factors, and overall feedback is that customers appreciate the convenience and overall experience at DLH. The data is also important to advocate for a low-budget leisure carrier from DLH to western destination(s).

F. Legislative Update: Mr. Werner provided an update on the following:

- ATCT Funding Advocacy: Mr. Werner shared that DAA continues to brief about funding with elected officials and key stakeholders around the state. St. Louis County Board and Mayor Reinert will be signing a letter of support for the tower project. Mr. Werner also shared that DAA continues to pursue the federal side of funding.
- Mr. Werner shared that he is working with Kaplan & Kirsch to draft a formal request to the city administration to request that the Duluth Airport Authority become the sole sponsor of its airports.

G. Presentations/Tours/Travel Recap: Mr. Werner provided an update on the following:

- NSR

H. Other: Mr. Werner provided an update on the following:

- NSR

- Dir. O'Brien thanked everyone for their reviews and moved to item II of the agenda.

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

A. Approval of December 17, 2024 Meeting Minutes

- Dir. O'Brien entertained questions or a motion.
 - Motion: Dir. Henderson
 - Second: Dir. Johnson
 - Abstain: None
 - Result: This resolution was adopted unanimously by roll call.



III. *DAA CASH DISBURSEMENTS

- A. Operating Check Register Registers #31-32; Operating ACH Payment Registers #32-33 (2024) and #1 (2025); Construction ACH Register #17.

IV. *CORRESPONDENCE

- A. December 17, 2024: Letter to Senator Amy Klobuchar of Support for Federal Prison Camp - Duluth. DAA.
B. December 17, 2024: Letter to Senator Tina Smith of Support for Federal Prison Camp - Duluth. DAA.
C. December 17, 2024: Letter to Congressman Pete Stauber of Support for Federal Prison Camp - Duluth. DAA.
D. December 25, 2024: Coming to a Tiny Airport Near You: New Airlines. The New York Times.
E. December 31, 2025: The Duluth Airport Authority Announces New Parking Rates for 2025. Press Release. DAA.
F. January 1, 2025: Parking Rate Increase at Duluth International Airport. NNN.

V. OPPORTUNITY FOR PERSONS TO BE HEARD

- A. None.

VI. OLD BUSINESS

- A. None.

VII. NEW BUSINESS

- A. Resolution to Resolution to Approve First Amendment to Security/Public Service Officers Agreement Between the Duluth Airport Authority and General Security Services Corporation/Midwest Patrol.
- Mr. Papko shared that the amendment enables modifications to be made to the agreement between the DAA and GSSC/Midwest Patrol by Executive Director Werner as needed in the interest of airport security.
 - Dir. O'Brien entertained questions or a motion.
 - Motion: Dir. Hansen
 - Second: Dir. Crawford
 - Abstain: None
 - Result: This resolution was adopted unanimously by roll call.
- B. *November 2024 Financial Reports
C. *January 2025 Accounts Receivable
D. *December 2024 Airline Statistics, Landline Statistics

VIII. DIRECTOR'S REPORTS

- A. Dir O'Brien shared an update on the DAA board member meeting attendance policy. Directors Crawford, Johnson, and Hansen will form an ad hoc committee to review and update guidelines. Once complete, the updated policy will be voted on at a future board meeting.

ADJOURN: The meeting was adjourned at 8:57 a.m.



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Respectfully submitted,

Aimee Bone
Administrative Coordinator

Tom
Werner

Digitally signed by
Tom Werner
Date: 2025.01.31
10:48:17 -06'00'

Approved: _____
DAA Executive Director