



DULUTH AIRPORT AUTHORITY

Duluth Airport Authority

Meeting Minutes

March 18, 2025

MEETING LOCATION: Amatuzio Conference Room, Duluth International Airport

DIRECTORS PRESENT: Kevin O'Brien, President
Jason Crawford
Elissa Hansen
Sandy Hoff
Briana Johnson

DIRECTORS PARTICIPATING VIA ELECTRONIC MEANS:

Jeff Anderson, Secretary

DIRECTORS ABSENT: Michael Henderson, Vice President
Dir. Hansen arrived at 8:20 a.m.

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 Communications and Marketing
Jenny Delnay, DAA Finance Technician
Aimee Bone, DAA Administrative Coordinator
Ian Young, Duluth City Attorney
Dan Lysher, ARFF Fire Chief
Eric Monson, Lake Superior Helicopters
Don Monaco, Monaco Air Duluth
Rob Missinne, Monaco Air Duluth
Shawn McMahan, SEH
Kaci Nowicki, SEH
Ryan Maxfield, Vantage Air

OTHERS PARTICIPATING VIA ELECTRONIC MEANS:

Dante Tomassini, Cirrus
Horeya Czaplewski, EXP
Phillip Scott, EXP
Paul Huston, HNTB
John Uhlhorn, H+U Construction
Jason Dickinson, Lifelink III

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

Dir. O'Brien introduced and welcomed Ian Young, Assistant Attorney for the City of Duluth. Mr. Young replaced Mr. Robb Enslin in his role with the DAA, providing general legal services to the DAA board and staff. Mr. Young shared his educational and career background and looks forward to working with the DAA.

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:
 - Year-to-date enplanements are up 27%, Delta up 24%, and United up 10% compared to 2024. February enplanements were up 23%. Sun Country season at DLH is strong with their passenger loads as well.
 - Load factors are very strong on all three carriers and Mr. Werner will be meeting with the carriers in June to discuss 2025 year-to-date.
 - Delta capacity is up 36% compared to February 2024, United up 20%, Delta up 33% year to date and United up 18% YTD. Increased capacity is driving a strong start to the year. A reminder that pilot shortage has started to relax with some of the regional partners and increased fleet in the air.
 - Mr. Werner and Ms. Baker met with the Chamber Foundation about community incentives; the foundation is actively fundraising in support of DLH's project to bring in another low-cost carrier and Mr. Werner anticipates an update in the next few months. Mr. Werner is also meeting with Breeze Airways this week to provide an update and continue conversation about air service.

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 project is underway, and DAA staff are installing a camera system and other security enhancements.
- Planning:
 - New Air Traffic Control Tower (ATCT) Update:
 - Mr. Papko is going to discuss a phasing discussion at April's board meeting regarding ATCT funding and construction. Mr. Werner added that no decisions need to be made next month, just presenting contingencies to the board, and anticipates revisiting later in the summer.
 - Mr. Papko shared an update on the Phase 5 Taxiway Alpha construction project. This phase will include the reconstruction of 2,000 feet of Taxiway A, reconstruction of connector at Taxiway A3, reconstruction of connectors to the midfield ramp, updated lighting, and improved surface and subsurface draining. There will be construction stoppage during the air show and Mr. Papko will present a detailed presentation at the next tenant meeting on March 20th. This phase of the project is expected to start mid-May and run through fall 2025.
 - Mr. Werner inquired about updates to Hangar 103 (Lake Superior College hangar). Mr. Papko shared two updates: Mr. Papko and team are examining modifications to make the roof line to the hangar entrance safer due to snow and ice sliding in the area off the roof. Also, there is an insurance adjuster who will be onsite today to evaluate damage on the hangar's roof due to recent high winds. Will determine if roof replacement will be an insurance claim or out-of-pocket expense, depending on numbers.



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

- LifeLink III Project Update: Ms. Kayser shared that five bids were received on February 25th and is working on an agreement between Johnson Wilson and Lifelink. Ms. Kayser shared that the goal is to have the hangar completed by November 30th, depending on the weather. Dir. Hoff asked about the square footage of the hangar, and Ms. Kayser shared that it'll be about 7,800 square feet.
- Ms. Kayser announced the DAA intern for summer 2025. Mr. Brady Leiser from Mankato. Mr. Leiser will be graduating in May and is expected to start his internship at the end of that month and will likely be at the June board meeting.
- Hangar Tenant Update: Ms. Kayser shared that there is a new hangar tenant. Ms. Kayser also followed up with the previous tenant who did not pass the inspection and has not yet responded to the letter that was sent about the grace period. Ms. Kayser is working with Mr. Ian Young and the city attorney's office to address the issue.

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

- Stormwater Update: Ms. Bodin shared that DAA is working with the city and information from the auditors and next steps that will be shared with board members.
- Ms. Bodin shared that DAA is wrapping up its annual audit.
- Ms. Bodin shared a presentation with 2024 year-end financial standings, and shared that there was a \$750k positive variance to budget in 2024.
- Operating expenses and various services (such as communications/technology improvements, professional services, repairs/maintenance), utilities were over budget and supplies (such as fuel and heavy equipment repair supplies) were under budget. Mr. Werner shared that Mr. Papko and his team are highly successful in maximizing life cycle costs by monitoring the heavy equipment fleet and have a thorough preventative maintenance program, which result in limited breakages.
- Ms. Bodin also shared the 2024 Long-Term Liability Analysis data.

E. Marketing/Communications: Ms. Baker shared the following updates:

- Giant Voices is working with Ms. Baker to do a creative refresh on advertising assets and noted that we will start to see new pieces circulating.
- As Mr. Werner mentioned earlier in the meeting, Ms. Baker shared that she has been working with the chamber to continue the community sponsored incentive program and has a one-page informational sheet for any interested community stakeholders.
- The economic impact study has been completed and Ms. Baker mentioned that DAA and partners will be hosting an event to announce the findings on Wednesday, March 19th, at the Cirrus Innovation Center. Mr. Werner added that there will be good news to share and that aviation is doing well coming out of the pandemic.

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

- ATCT Funding Advocacy: Mr. Werner shared updates on local and state legislative ATCT advocacy meetings, and shared that he will be traveling to Washington, D.C. next week for congressional delegation meetings. Mr. Werner also shared an overview of several bills tied to DLH funding. Mr. Werner emphasized that the current projects that DLH is seeking funding for are of regional importance and will communicate that message when he travels to St. Paul.



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

- Mr. Werner shared that he and Ms. Baker recently attended the UWS Air Transportation class to talk to students about the airport state of aviation in the Duluth area and Ms. Baker was able to share details about her role at the DAA with students.
- Last week Mr. Werner attended an Emergency Management Class (ICS 300), which focused on expanding the Incident Command System (ICS) with unified command during aviation-related emergencies.

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

- Mr. Werner introduced the new owner of Monaco Air, Mr. Ryan Maxfield from Vantage Aviation. Mr. Maxfield shared his background and stated that he is excited to be at DLH and the region. Mr. Maxfield shared his desire to continue Mr. Monaco's legacy of customer service and to work with the DAA board and senior staff to help support the airport and growth opportunities. Dir. Henderson thanked Mr. Maxfield for speaking to the group and Mr. Werner thanked Mr. Monaco for all the years of service, attention to detail, and growth and wished him a well-earned retirement. Mr. Monaco shared that it's mutual and has been grateful for a wonderful relationship over the years with the airport team and the community.
- Mr. Werner introduced a presentation from the DAA senior staff about results from a recent feedback session for ground transportation stakeholders at which proposed policy updates were shared and discussed. The primary goals for the policy updates are to improve ground transportation experience for our customers and expand the availability of ground transportation options for them. Senior staff shared an overview of the proposed changes and several key pieces of feedback. The airport will use updated technology to keep track of ground transportation traffic at the airport and implement improvements such as additional wayfinding signage and designated pick-up and drop-off areas. Feedback from ground transportation partners included concern about the location of the ground transportation lane, staging area distance (cell phone lot), and the per pick-up and drop-fee of \$1.50. DAA staff stated that the added \$1.50 fee would be offset by the reduced vehicle permit fee, from the current annual fee of \$200 to \$25. Feedback from ground transportation partners also expressed concern about lack of lighting in the designated pick-up and drop-off lane, and the airport appreciated the feedback and is working to improve the lighting. There will be a public hearing at April's board meeting.
- Dir. O'Brien thanked everyone for their reviews and moved to item II of the agenda. Dir. O'Brien noted that Dir. Hansen is present for roll call.

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

A. Approval of February 18, 2025 Meeting Minutes

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



III. *DAA CASH DISBURSEMENTS

- A. Operating Check Registers #1-#3-2025; Operating ACH Payment Register #2-#3-2025; Construction ACH Register #1-2025.

IV. *CORRESPONDENCE

- A. February 17, 2025: SkyWest Charter Gets D01 Nod. Airline Geeks.
- B. February 26, 2025: Reminder of Duluth International Airport Zoning Ordinance. Letter emailed to Canosia Township Supervisor Jeff Erikson of the Joint Airport Zoning Board.
- C. February 26, 2025: Reminder of Duluth International Airport Zoning Ordinance. Letter emailed to City of Duluth Brent Malvick of the Joint Airport Zoning Board.
- D. February 26, 2025: Reminder of Duluth International Airport Zoning Ordinance. Letter emailed to City of Hermantown City Councilor John Geissler of the Joint Airport Zoning Board.
- E. February 26, 2025: Reminder of Duluth International Airport Zoning Ordinance. Letter emailed to City of Rice Lake City Councilor Mike Hendrickson of the Joint Airport Zoning Board.
- F. February 26, 2025: Reminder of Duluth International Airport Zoning Ordinance. Letter emailed to St. Louis County Commissioner Chair Annie Harala of the Joint Airport Zoning Board.
- G. February 27, 2025: Duluth Airport Seeks \$56M Toward Replacement of Outdated Air Traffic Control Tower. KQDS.
- H. March 3, 2025: DAA – ASD Toolkit Trifold. Trifold pamphlet.
- I. March 6, 2025: LASAC Chairman William Towle Letter to Representative Pete Stauber RE: Minnesota Airport Priorities for FY25 Appropriations Bills. Letter.

V. OPPORTUNITY FOR PERSONS TO BE HEARD

- A. None.

VI. OLD BUSINESS

- A. Resolution to Approve Installation of Luminary Art by Leonarda Boughton (previously tabled for further discussion)
 - Ms. Baker shared that the resolution was previously tabled due to errors and some missing information in language required by the FAA. Corrections have been made and updated and the installation approval now falls under the Executive Director due to the duration of the installation being less than one year.
 - Motion to remove from old business:
 - Motion: Hansen
 - Second: Johnson
 - Result: The motion to remove this resolution from old business was adopted unanimously by roll call.

VII. NEW BUSINESS

- A. Resolution to Approve Work Order 2025-6 between Short Elliot Hendrickson, Inc., and the Duluth Airport Authority for Phase II Final Design of Hangar 101 Site Development at the Duluth International Airport.
 - Mr. Papko shared that the purpose of this resolution is to prepare the former site of Hangar 101 for taxilane construction and possible future hangar development.

- Dir. O'Brien entertained questions or a motion.
 - Motion: Dir. Hoff
 - Second: Dir. Henderson
 - Abstain: Dir. Anderson
 - Result: This resolution was adopted unanimously by roll call except for Dir. Anderson.

- B. Resolution to Approve the Minnesota State Department of Transportation Grant Agreement for the Purchase of a Magnetic Runway FOD Sweeper.
 - Mr. Papko shared that the dollar amount for the FOD Sweeper was not on the approved 2025 CIP so the resolution is to provide the amount for the sweeper, which is funded by the grant for 70% of the cost (\$66,500 of the \$95,000 total cost).
 - 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.

- C. 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 shared that this is an agreement with the city on how claims will be processed to make payments on our share of the insurance premium cost. The agreement covers buildings, personal property heavy equipment/inland marine, and boiler insurance.
 - Dir. O'Brien entertained questions or a motion.
 - Motion: Dir. Hoff
 - Second: Dir. Hansen
 - Abstain: None
 - Result: This resolution was adopted unanimously by roll call.

- D. Resolution to Approve Payment in the Amount of \$133,200 to the City of Duluth for the 2025 Cost Allocation Fee.
 - Ms. Bodin shared that this is a payment to reimburse the City of Duluth for time and expenses allocated to support the DAA as determined by a time audit study and to follow FAA guidelines and requirements.
 - Dir. O'Brien entertained a motion.
 - Motion: Dir. Henderson
 - Second: Dir. Hoff
 - Abstain: None
 - Result: This resolution was adopted unanimously by roll call.

- E. Resolution to Approve License Agreement between the 148th Fighter Wing Minnesota Air National Guard and the Duluth Airport Authority for Airfield Rescue Fire Fighter training.
 - Ms. Kayser shared that the license agreement is for the 148th to be allowed to use a previously used area again for fire training.
 - Dir. O'Brien entertained a motion.
 - Motion: Dir. Johnson
 - Second: Dir. Hansen

- Abstain: None
 - Result: This resolution was adopted unanimously by roll call.
- F. Resolution to Approve the Assignment of Lease Agreement; Consent to Assignment: Estoppel; and Acceptance of Assignment of the Amended and Restated Operator Agreement between the Duluth Airport Authority and Monaco Air Duluth, LLC to Vantage DLH, LLC.
- Ms. Kayser shared that that is the assignment for the amended and restated operator agreement.
 - Dir. O'Brien entertained a motion.
 - Motion: Dir. Hoff
 - Second: Dir. Henderson
 - Abstain: None
 - Result: This resolution was adopted unanimously by roll call.
- G. Resolution to Approve Amendment 1 of the Terminal Use Agreement between the Duluth Airport Authority and Monaco Air Duluth, LLC.
- Ms. Kayser shared is to allow use of the terminal during charter activity and assignment of terminal lease agreement to Vantage.
 - Dir. O'Brien entertained a motion.
 - Motion: Dir. Hansen
 - Second: Dir. Johnson
 - Abstain: None
 - Result: This resolution was adopted unanimously by roll call.
- H. Resolution to Approve the Assignment of Lease Agreement; Consent to Assignment: Estoppel; and Acceptance of Assignment of the Terminal Use Agreement between the Duluth Airport Authority and Monaco Air Duluth, LLC to Vantage DLH, LLC.
- Ms. Kayser that this is the assignment of the terminal use agreement from Monaco Air to Vantage.
 - Dir. O'Brien entertained a motion.
 - Motion: Dir. Hoff
 - Second: Dir. Henderson
 - Abstain: None
 - Result: This resolution was adopted unanimously by roll call.
- I. Resolution to Approve Amendment 1 of the Space Lease Agreement between the Duluth Airport Authority and Monaco Air Duluth, LLC.
- Ms. Kayser shared that space lease agreement for leasing of airport-owned space, including Hangar 106 and the Line Shack.
 - Dir. O'Brien entertained a motion.
 - Motion: Dir. Henderson
 - Second: Dir. Johnson
 - Abstain: None
 - Result: This resolution was adopted unanimously by roll call.



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- J. Resolution to Approve the Assignment of Lease Agreement; Consent to Assignment: Estoppel; and Acceptance of Assignment of the Space Lease Agreement between the Duluth Airport Authority and Monaco Air Duluth, LLC to Vantage DLH, LLC.
- Ms. Kayser shared that assignment to approve the space lease agreement, Hangar 106 used to be operator agreement and was changed to a shorter-term agreement due to its condition and the approval of transfer from Monaco Air to Vantage.
 - Dir. O'Brien entertained a motion.
 - Motion: Dir. Hoff
 - Second: Dir. Hansen
 - Abstain: None
 - Result: This resolution was adopted unanimously by roll call.
- K. Resolution to Approve the Assignment of Lease Agreement; Consent to Assignment: Estoppel; and Acceptance of Assignment of the Duluth Flying Club Operator Agreement between the Duluth Airport Authority and Monaco Air Duluth, LLC to Vantage DLH, LLC.
- Ms. Kayser shared that this is to transfer a concession agreement that the DAA has with the Duluth Flying Club from Monaco Air to Vantage.
 - Dir. O'Brien entertained a motion.
 - Motion: Dir. Johnson
 - Second: Dir. Henderson
 - Abstain: None
 - Result: This resolution was adopted unanimously by roll call.
- L. Resolution to Approve the Assignment of Lease Agreement; Consent to Assignment: Estoppel; and Acceptance of Assignment of the Lease Agreement between the Curtis Fisher and Monaco Air Duluth, LLC to Vantage DLH, LLC.
- Ms. Kayser shared that Curtis Fisher is a developer that owns the FedEx facility on the airfield and part of Mr. Fisher's parcel includes two buildings that he sub-leases to Monaco and the transfer now to Vantage.
 - Dir. O'Brien entertained a motion.
 - Motion: Dir. Hoff
 - Second: Dir. Hansen
 - Abstain: None
 - Result: This resolution was adopted unanimously by roll call.
- M. *January 2025 Financial Reports
- N. *March 2025 Accounts Receivable
- O. *February 2025 Airline Statistics, Landline Statistics

VIII. DIRECTOR'S REPORTS

- A. None.

ADJOURN: The meeting was adjourned at 9:48 a.m.



DULUTH AIRPORT AUTHORITY

Respectfully submitted,

Aimee Bone
Administrative Coordinator

Approved: *Tom Warren*

DAA Executive Director






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Final Audit Report

2025-03-27

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