



DULUTH AIRPORT AUTHORITY

Duluth Airport Authority Meeting Minutes September 16, 2025

MEETING LOCATION: Amatuzio Conference Room, Duluth International Airport

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

OTHERS PRESENT: Tom Werner, DAA Executive Director
Ryan Welch, DAA Dir. of Operations, Planning, and Construction
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
John Ramos, Duluth Monitor
Gaven O'Hair, FAA
Lindsay Terry, FAA
Nate Niemann, H&U
Joe Uhlhorn, H&U
Eric Monson, Lake Superior Helicopters/Ascent Aviation
Rob Missinne, Monaco Air Duluth
Kaci Nowicki, SEH
Shawn McMahon, SEH
Adinda Van Espen, SEH

OTHERS PARTICIPATING VIA ELECTRONIC MEANS:
Ian Young, Duluth City Attorney
Dante Tomassini, Cirrus
Horeya Czaplewski, EXP
Phillip Scott, EXP
Paul Huston, HNTB

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

Dir. Henderson 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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- Year-to-date enplanements are up 13%, Delta down 8%, and United down 26% compared to 2024. August enplanements were down 15% compared to same month last year.
- Load factors remain strong; Delta and United both running over 90% loads.
- Delta capacity is down 15% compared to August 2024 and United is down 8%. Year-to-date, Delta is up 23% and United is up 3%.
- On the local side, a reminder that starting in last half of August, DLH has had four frequencies per day to MSP and ORD to continue into October. Mr. Werner expects a stronger fall 2025 than 2024 due to this.
 - Dir. Hoff asked Mr. Werner if there is a visible bump in traffic for the inline marathon, and Mr. Werner responded that there is no trackable data for the event.

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

- Planning:
 - New Air Traffic Control Tower (ATCT) Update:
 - Mr. Welch shared that several ATCT project partners such as EXP, SEH, and H&U were present in person or online to present updates. The ATCT design and construction partners presented an update on the proposed two-phase construction plan, funding status, and associated risks. Phase One would build the base structure of the tower, allowing limited occupancy and lease income, while Phase Two would complete the remaining tower and TRACON facilities. The total Phase One cost is estimated at \$38.99 million, leaving an unfunded gap of about \$3.3 million. Roughly \$36 million has been secured from federal, state, and local sources, and additional grants or bonds may close the shortfall. Ms. Lindsay Terry from the FAA was also in attendance and shared that the FAA anticipates awarding approximately \$20 million in future grants. The overall tower project eligibility for federal funding is 80.18%, though Phase One includes ineligible elements. Risks include construction cost overruns, inflation, grant expirations, and possible FAA fund recoupment if Phase Two does not proceed. The board is expected to vote on project phasing as soon as the October 2025 board meeting. Tentative construction is proposed to start in April 2026.
- Construction:
 - DLH Fuel System Replacement: Mr. Welch shared that the current fuel system is more than twenty years old and he has been working with SEH to identify an area to relocate the system. Mr. Welch also shared that MNDOT Aviation has awarded a grant to assist with the project, with more information to follow.
 - Dir. Hoff asked for a description of the current fuel system, and Mr. Welch shared that it's a 10,000-gallon diesel and 2,000-gallon gasoline system and would like to expand it to a 20,000-gallon system.
 - Taxiway A Phase 5:
 - Construction is ongoing, the 60-hour closure was executed successfully. Crews are currently hand pouring on Taxiway R3 and machine paving on Taxiway R2. Taxiway shoulder work is anticipated to begin shortly and will include aggregate placement, taxiway edge light infrastructure installation, and bituminous paving.
 - Customs and Border Protection Federal Inspection Services Construction



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Update: Mr. Welch reiterated that the punch list is complete and working through last states to ensure that the space is available for any IROPs.

- DYT Fuel System Replacement: Mr. Welch shared that just as options are being explored to replace the DLH fuel system, he is also working with SEH to explore options for a new fuel system at Sky Harbor.
- Operations:
 - DAA Airside Manager: Mr. Welch shared that Airside Manager position initial interviews will take place this week.

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

- LifeLink III Project Update: Ms. Kayser shared that the construction has started breaking ground on the hangar, and it is a project that has been in the works since August 2022. The building is on schedule to be delivered this month and will update the pace with regards to upcoming winter conditions. LifeLink is very pleased with the progress so far.
- Development RFI: Ms. Kayser shared that the DAA posted an RFI to gauge interest in both aeronautical and non-aeronautical business development sites here at DLH. It is posted publicly on both the city purchasing website and DLH websites and is due at the end of October. Please share with parties who may be interested and contact Ms. Kayser with any questions.
- Funding Project: Ms. Kayser is talking with EDA (Economic Development Administration) about funding a taxi lane to develop the old hangar pad into multiple hangars. One of the first anticipated projects at this space is a hush house facility that Cirrus will be building to conduct their runups.

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

- Concessionaire Audit Update: Ms. Bodin shared that credits were applied for the overpayments received from Tailwind, and the audit is now closed. There will be mini audits conducted each month to ensure everything stays consistent and accurate.
- Stormwater Update: Ms. Bodin shared there will be a special meeting next Monday, 9/22/2025.
- Conciliation Court Summons: The insurance company is trying to recoup funds from an accident that occurred at the airport in 2021. The case was settled last week so the September 15th hearing was cancelled.
- 2026 Budget/Rates and Charges Schedule: Ms. Bodin shared that the draft will be presented to the board at the October meeting for review, and final budget for approval in November. The city council presentation is scheduled for November 20th. Dir. Hoff asked if the city board votes on the presentation and Ms. Bodin confirmed that they do.
- Operating Policy Review: Ms. Bodin shared that she has been working on updating the operating policies and improving categorization to help the board and staff. Ms. Bodin anticipates that several policies to be updated, rewritten, and reorganized or removed.

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

- Commercial Vehicle Policy: Ms. Baker shared that the updated commercial vehicle policy is almost ready to be implemented and met with city attorney Mr. Ian Young to discuss enforcement. An administrative citation was determined to be the best approach. Ms. Baker is finalizing some details with Mr. Young. Once that is resolved, the policy will be implemented.



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- Global Entry Event: Ms. Baker shared that DLH will be hosting a Global Entry Event on September 25th. There are 100 spots, and an appointment must be made beforehand.

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

- ATCT Funding Advocacy: Mr. Werner shared that he visited D.C. to meet with congressional staff and give them updates on the ATCT. Mr. Werner also shared that the DAA is still advocating for reinstatement of the Law Enforcement Officer Reimbursement Program.

G. Presentations/Tours/Travel Recap:

- Mr. Werner shared that he presented to the Metropolitan Interstate Council and gave them an update on the DAA's infrastructure and economic development projects.

H. Other:

- Mr. Werner reminded the board that the strategic planning board retreat will be on Friday, October 3rd at the Sheraton Hotel.

- Dir. Henderson 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 August 19, 2025, Meeting Minutes

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

III. *DAA CASH DISBURSEMENTS

- A. Operating Check Registers #20-21, 2025; Operating ACH Payment Register #21-23, 2025; Construction ACH Register #10, 2025.

IV. *CORRESPONDENCE

A. DLH Construction Newsletter

- August 15, 2025
- August 22, 2025
- August 27, 2025
- September 5, 2025

B. August 29, 2025. Letter to Hangar #107 Tenant John Hall from DAA RE: Potential Property Redevelopment Opportunities.

C. September 9, 2025. Letter to DAA Board of Directors from Congressman Pete Stauber RE: DLH ATCT Project Support.

V. OPPORTUNITY FOR PERSONS TO BE HEARD

None.

VI. OLD BUSINESS



None.

VII. NEW BUSINESS

- A. Resolution to Approve a \$5000 Employee Incentive Award to Ryan Welch.
- Mr. Werner shared that Mr. Welch has been doing a tremendous job and was the interim director during hiring process. Mr. Werner shared that Mr. Welch has brought trademark determination and grit while wearing both hats during the hiring process. Some of the responsibilities he led during this time included the 2025 Triennial Emergency Response Exercise, Annual Part 139 Inspection, the 2025 Airshow, and the Taxiway Alpha Phase 5 construction.
 - Dir. Henderson entertained questions or a motion.
 - Motion: Dir. Hoff
 - Second: Dir. Johnson
 - Abstain: None.
 - Result: This resolution was adopted unanimously.
- B. Resolution to Approve the Five Year (January 1, 2026 – January 1, 2031) Executive Director Employment Agreement with Mr. Thomas J. Werner.
- Ms. Bodin shared that there was standard review of the contract and minor adjustments to the agreement with updated with current salary items and the benefits that Mr. Werner was entitled to with his extended employment remain in his contract.
 - Dir. Henderson entertained questions or a motion.
 - Motion: Dir. Johnson
 - Second: Dir. Crawford
 - Abstain: Dir. O'Brien
 - Result: This resolution was adopted unanimously.
- C. Resolution to Approve Amended DAA Bylaws Article V. Director Expectations, Items 3 and 4.
- Ms. Bodin shared that the board attendance expectations and absences were updated to provide greater clarity for board members.
 - Dir. Henderson entertained questions or a motion.
 - Motion: Dir. Hansen
 - Second: Dir. Johnson
 - Abstain: None.
 - Result: This resolution was adopted unanimously.
- D. Resolution to Accept and Approve Duluth International Airport Maintenance and Operations Grant Contract 1060394 and to Authorize the Duluth Airport Authority's President and Secretary to Execute the Contract and Any Amendments.
- Ms. Bodin shared that this is the 2026/2027 state maintenance and operations grant that DLH receives annually. The purpose of the grant is to reimburse the DAA on certain maintenance, operations, and supplies. DLH typically utilizes the grant in the first quarter.
 - Dir. Henderson entertained questions or a motion.
 - Motion: Dir. Hoff
 - Second: Dir. O'Brien
 - Abstain: None.
 - Result: This resolution was adopted unanimously.



- E. Resolution to Accept and Approve Sky Harbor Airport Maintenance and Operations Grant Contract 1060395 and to Authorize the Duluth Airport Authority's President and Secretary to Execute the Contract and Any Amendments.
 - Ms. Bodin shared that this is the 2026/2027 state maintenance and operations grant that DYT receives annually. The purpose of the grant is to reimburse the DAA on certain maintenance, operations, and supplies.
 - Dir. Henderson entertained questions or a motion.
 - Motion: Dir. Hansen
 - Second: Dir. Johnson
 - Abstain: None.
 - Result: This resolution was adopted unanimously.

- F. Resolution to Approve Amendment 1 to the United States of America Joint Use Agreement (AJUA) Between the Duluth Airport Authority and the Minnesota Air National Guard.
 - Ms. Kayser shared the current agreement is set to expire this month and this is an amendment to extend the term to the end of the year to allow time to negotiate the new AJUA agreement.
 - Dir. Henderson entertained questions or a motion.
 - Motion: Dir. Hoff
 - Second: Dir. Crawford
 - Abstain: None.
 - Result: This resolution was adopted unanimously.

- G. Resolution to Approve Amendment 1 to the Operating Agreement for Third-Party Contractor Ramp and Passenger Service Between the Duluth Airport Authority and Unifi Aviation, LLC.
 - Ms. Kayser shared that Unifi handles all of the commercial flights at DLH, the current agreement has expired, and the purpose of this document is to have a holdover period until the new agreement is completed.
 - Dir. Henderson entertained questions or a motion.
 - Motion: Dir. Hansen
 - Second: Dir. Johnson
 - Abstain: None.
 - Result: This resolution was adopted unanimously.

- H. Resolution to Approve Sky Harbor Hangar #4 Land Lease Agreement between the Duluth Airport Authority and Jonathan Aero.
 - Ms. Kayser shared that Jon Messer is a long-term tenant and a mechanic. This agreement serves to renew his Lot 4 land lease which is set to expire at the end of the month.
 - Dir. Henderson entertained questions or a motion.
 - Motion: Dir. Hoff
 - Second: Dir. O'Brien
 - Abstain: None.

- I. *July 2025 Financial Reports
- J. *September 2025 Accounts Receivable
- K. *August 2025 Airline Statistics, Landline Statistic



VIII. DIRECTOR'S REPORTS

- A. Dir. Henderson thanked the ATCT partners for making the trip to the board meeting to discuss the phasing options.
- B. Dir. Henderson then invited Ms. Terry back to speak to the board and Ms. Terry announced that the next couple of days is the congressional notification period for FY2025 grants. DAA will notified through congressional delegation about grants that were applied to (for Taxiway Alpha construction and SRE equipment). Ms. Terry will be signing and sending them on Thursday, September 18th and needs them returned by Monday, September 22nd.
- C. Dir. Henderson reminded the board of the Special DAA Meeting that will take place on Monday, September 22nd.

ADJOURN: The meeting was adjourned at 9:36 a.m.

Respectfully submitted,

Aimee Bone
Administrative Coordinator

Tom
Werner

Digitally signed by
Tom Werner
Date: 2025.10.14
09:59:02 -05'00'

Approved: _____

DAA Executive Director