

**MINUTES OF THE PUBLIC MEETING OF THE
PHOENIX-MESA GATEWAY AIRPORT AUTHORITY
BOARD OF DIRECTORS | June 18, 2024**

A public meeting of the Phoenix-Mesa Gateway Airport Authority (PMGAA, Authority) was convened on Tuesday, June 18, 2024, beginning at 9:00 a.m. in the Board Room (Saguaro A&B) of the Gateway Administration Building, 5835 S Sossaman Road, Mesa, Arizona.

Members Present

Mayor Chip Wilson, Apache Junction
Lt. Governor Regina Antone, Gila River Indian
Community
Mayor Julia Wheatley, Queen Creek
Mayor John Giles, Mesa
Mayor Brigitte Peterson, Gilbert
Councilmember Jim Waring, Phoenix*

** Neither present nor represented*

Airport Staff Present

J. Brian O’Neill, Executive Director/CEO
Scott Brownlee, Deputy Director/COO
Chuck Odom, CFO
Misty Johnson, Clerk of the Board
Jill Casson Owen, Attorney

1. **Call to Order** at 9:00 a.m. (Mayor Wilson, Chair)
2. **Roll Call**
3. **Pledge of Allegiance**
4. **Call to the Public**
There were no public comments.
5. **City of Phoenix Remarks** – Chad Makovsky, Aviation Director, Phoenix Sky Harbor Airport

June 18, 2024 marks the final PMGAA Board meeting for the City of Phoenix as a member community of the Phoenix-Mesa Gateway Airport Authority. On behalf of the City of Phoenix and the Aviation Department, Director Makovsky expressed his sincere appreciation for the collaboration with PMGAA over the last 18 years and presented a token of appreciation to Director O’Neill.

Mayor Giles commented on the City of Phoenix’s departure from PMGAA. The Authority appreciates and values the 18-year partnership with the City of Phoenix that brought resources and aviation experience to the Authority. A framed photograph of Phoenix-Mesa Gateway Airport was presented to Director Makovsky as a token of remembrance for the City of Phoenix’s time on the Authority.

6. **Executive Director’s Report** – J. Brian O’Neill, A.A.E., Executive Director/CEO
Executive Director O’Neill provided a briefing on PMGAA’s financial performance, passenger activity, the community noise report, and various Airport projects.
 - Fiscal Year-to-Date 2024 (FYTD) Net Operating Income is \$4,236,125.
 - Phoenix-Mesa Gateway Airport (Airport, Gateway Airport) welcomed 146,384 commercial passengers in May 2024. This is a new May record!
 - Gateway Airport is experiencing an increase in FY24 non-airline revenue – parking, rental cars, food, beverage, and retail. May 2024 non-airline revenue is \$720,825 compared to \$650,890 in

May 2023. FYTD24 non-airline revenue is \$8,034,242 compared to \$7,830,178 during the same time period in FYTD23.

- Gateway Tomorrow Executive Summary for the Eastside Terminal Planning Study is available for distribution to key stakeholders and member communities. It is an informative summary of what to expect over the next 10, 15, 20, 30-year planning horizon. The purpose of the Study was to identify the important elements that must be included in a future, demand-driven commercial passenger terminal complex located on the east side of the Airport.
- U.S. Forest Service's wildfire season in AZ started slow, but in May and June, the Forest Service has been extremely active.
- Gateway Senior Staff recently toured the Virgin Galactic Hangar and Manufacturing Facility, the Gulfstream West Coast Service Center, and the two industrial building in SkyBridge Arizona. A similar tour will be scheduled for the PMGA Board of Directors later this summer.
- Virgin Galactic intends to house "the mothership" in a 58,000 sq. ft. hangar and assemble up to six spaceships each year in a 125,000 sq. ft. manufacturing facility. The spaceships will be transported to New Mexico by the mothership for their space tourism launch activities. The two-building complex is scheduled to be operational in the summer of 2024.
- Gulfstream Aerospace is completing the construction of a 225,000 sq. ft. West Coast Service Center on the east side of the airfield adjacent to Ellsworth Road. This state-of-the-art facility is scheduled to be operational in the summer of 2024. Landscaping is going in at the front of the facility and the framework for the hangar doors is being completed.
- SkyBridge Arizona has completed the construction of two 250,000 sq. ft. flex industrial buildings designed to accommodate single and multi-tenant users. They are working with SRP to ensure enough power to energize both buildings. Tenant inquiries are being fielded for one or both of these facilities.
- The horizontal infrastructure is going in and the roadways are being laid out in the Gateway East Master Development project. The first tenant in this development is XNRGY Climate Systems. Since their ground-breaking event on April 16th, the walls have gone vertical on their 275,000 sq. ft. facility.
- Gateway Commerce Center III is being developed along the southeast corner of Sossaman Road and Velocity Way. This project is two industrial buildings totaling just less than 100,000 sq. ft. The appearance will be more of an office building than an industrial building. This project is currently undergoing a planning review with the City of Mesa and anticipates breaking ground in August.
- PMGAA is updating the front entrance to the Airport at the intersection of Ray and Sossaman Roads. The monument design is complete. A contractor will be selected in July.
- For the next several years, PMGAA's construction focus will shift to three airfield improvement projects – a mill and overlay of Runway 30C-12C, reconstruction of Runway 30L-12R, and reconstruction of a portion of Taxiway Whiskey. The timeframe for the Center Runway 12C-30C mill and overlay project is June through August 2024. The runway will be closed while the mill and overlay takes place. The Airport has two other 10,000-foot runways and will maintain normal operations during the project. Thanks to continued support from the FAA, the reconstruction of Runway 12R-30L has been consolidated into two years. Phase I, will begin in September 2024. This important infrastructure project totals approximately \$45MM.
- Ten airport-owned buildings have reached the end of their useful life. Due to their age and deteriorated condition, they are being taken down this summer.

- An RFP will be issued to find a developer to re-develop a ten-acre aeronautical site cleared by the demolition of some of the outdated buildings.

7. Consent Agenda

- a) **Minutes** of the Board Meeting held on **May 21, 2024**.
- b) **Resolution No. 24-23** – Authorizing an agreement for financial participation between the **City of Mesa** and Phoenix-Mesa Gateway Airport Authority to share state and federal lobbyist and consulting services for FY25 effective July 1, 2024, in an amount not to exceed \$115,000.
- c) **Resolution No. 24-24** – Authorizing the purchase of janitorial supplies from **Network Services Company** in partnership with **Waxie Sanitary Supply** for FY25, in an amount not to exceed \$138,000.
- d) **Resolution No. 24-25** – Authorizing the purchase of Jet A fuel and 100LL Avgas from **Ascent Aviation** for Airport Authority resale in the amount of \$4,968,000.
- e) **Resolution No. 24-26** – Authorizing the purchase of Unleaded and Diesel fuel from the lowest-priced **State contract vendor** at market prices for Airport Authority use and resale in an amount not to exceed of \$633,651. This amount will provide fuel for the 2025 fiscal year.
- f) **Resolution No. 24-27** – Authorizing the purchase of services with **U.S. Customs & Border Protection (USCBP)** for the fiscal year of 2024 with costs estimated to be approximately \$312,550.

Mayor Julia Wheatley moved to approve the Consent Agenda.

Mayor Brigitte Peterson seconded the motion.

The motion was carried unanimously.

Consideration and Approval of:

8. **Resolution No. 24-28** – Authorizing an Intergovernmental Agreement (IGA) with the **City of Mesa** for Aircraft Rescue and Firefighting (ARFF) Maintenance Services, effective July 1, 2024, through June 30, 2027, with costs estimated to be approximately \$120,000.

Mayor Brigitte Peterson moved to approve Resolution No. 24-28.

Mayor Julia Wheatley seconded the motion.

The motion was carried unanimously.

9. **Resolution No. 24-29** – Authorizing the Intergovernmental Agreement (IGA) with the **City of Mesa** for Dedicated Law Enforcement Services (LEO), for five years effective July 1, 2024 in an amount not to exceed \$4,629,451.

Mayor Brigitte Peterson moved to approve Resolution No. 24-29.

Mayor Julia Wheatley seconded the motion.

The motion was carried unanimously.

10. Election of Chair and Vice Chair

Mayor Brigitte Peterson motioned to nominate **Mayor Julia Wheatley** to become **Chair** and **Lt. Governor Regina Antone** to become **Vice Chair**.
Mayor John Giles seconded the motion.
The motion was carried unanimously.

11. Election of Secretary and Treasurer

Lt. Governor Regina Antone motioned to nominate **Mayor John Giles** to become **Secretary** and **Mayor Brigitte Peterson** to become **Treasurer**.
Mayor Julia Wheatley seconded the motion.
The motion was carried unanimously.

12. Board Member Comments/Announcements.

Executive Director O'Neill conveyed appreciation on behalf of the Authority for Mayor Wilson's outstanding vision and leadership as PMGAA's Chairman of the Board of Directors during FY24.

13. Next Meeting: Tuesday, August 20, 2024 at 9:00 a.m. in the Board Room (Saguaro A&B) of the Gateway Administration Building, 5835 S Sossaman Road, Mesa, Arizona. Members of the Phoenix-Mesa Gateway Airport Authority may attend either in person or by audioconference.

14. Adjournment.

The meeting adjourned at 9:35 a.m.

Dated this ____ day of _____ 20__.

Misty Johnson, Clerk of the Board