

**MINUTES OF THE PUBLIC MEETING OF THE
PHOENIX-MESA GATEWAY AIRPORT AUTHORITY
BOARD OF DIRECTORS | October 15, 2024**

A public meeting of the Phoenix-Mesa Gateway Airport Authority (PMGAA, Authority) was convened on Tuesday, October 15, 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 Julia Wheatley, Queen Creek (*via audio conference*)
Lt. Governor Regina Antone, Gila River Indian Community
Mayor John Giles, Mesa
Mayor Brigitte Peterson, Gilbert
Mayor Chip Wilson, Apache Junction
** 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
Jean Dietrich, Signing Director CliftonLarsonAllen

1. **Call to Order** at 9:00 a.m. (Mayor Wheatley, Chairwoman)
2. **Roll Call**
3. **Pledge of Allegiance**
4. **Motion to convene into Executive Session**
 - a) Pursuant to A.R.S. § 38-431-03 (A)(1), the Board of Directors may convene into executive session for the purpose of discussion and consideration regarding the Executive Director/CEO's annual review.

Mayor Brigitte Peterson moved to convene into Executive Session.

Mayor John Giles seconded the motion.

The motion was carried unanimously.

5. **Motion to reconvene from Executive Session to Regular Session (9:36 a.m.)**

Mayor Chip Wilson moved to reconvene the PMGAA Board of Directors meeting.

Mayor Brigitte Peterson seconded the motion.

The motion was carried unanimously.

6. **Call to the Public**

There were no public comments.

7. **Executive Director's Report** – J. Brian O'Neill, A.A.E., Executive Director/CEO

Executive Director O'Neill provided a briefing on various Airport projects.

- Allegiant's Airports Conference was held October 1st and 2nd in Las Vegas. It was attended by Executive Director O'Neill and Lori Collins, Director of Business and Economic Development.
- 2024 Take-Off North America Air Service Conference will be held October 22nd – 24th in Green Bay, WI. Executive Director O'Neill is scheduled to meet with representatives from five airlines.

- 2024 NBAA-BACE Expo will be held October 22nd – 24th in Las Vegas. Representatives from the Authority’s Business Development Team will be in attendance.
- In September, a Congressional Delegation/FAA visit to Washington, DC was attended by Executive Director O’Neill and Ryan Smith, Director of Communications and Government Relations. They were joined by City of Mesa Mayor John Giles and City of Mesa Assistant City Manager Scott Butler. The purpose of the visit was to discuss the FAA Reauthorization Air Traffic Control Tower Staffing Pilot Program. This program was developed to convert contract air traffic control towers into FAA towers in order to provide more stability in the controller staffing model.
- On September 18th two certified therapy alpacas visited Phoenix-Mesa Gateway Airport. The theme of the day’s event was Alpaca Your Bags and Get Away to One of Allegiant’s 45 Nonstop Destinations from Gateway Airport. The alpaca story was picked up on September 19th by the national news.
- The exteriors of the Virgin Galactic Hangar and Manufacturing Facility are complete. A VIP tour and ribbon-cutting event is planned for this later this year. Assembly of Delta spaceships will begin in Q1 2025. The spaceships will be transported to New Mexico by the mothership for their space tourism launch activities.
- Gulfstream Aerospace began receiving the first aircraft to their new West Coast Service Center yesterday. This state-of-the-art facility is scheduling its Grand Opening and ribbon-cutting event for Q1 2025.
- SkyBridge Arizona is a 360-acre master development project offering both aeronautical and non-aeronautical private development opportunities. SkyBridge has completed the construction of two 250,000 sq. ft. flex industrial buildings designed to accommodate single and multi-tenant users, a 53,000 sq. ft. industrial building, an 82,500 sq. ft. hangar and various roadways and utility infrastructure across the site.
- Gateway East is a 273-acre, mixed-use, non-aeronautical master development opportunity located on the east side of the Airport. Construction of a 275,000 sq. ft. manufacturing facility for XNRGY Climate Systems is currently underway. The horizontal infrastructure – roadways, utilities, and landscaping - is progressing. Gateway Boulevard and Aviation Way are now open.
- 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 site prep work is underway with construction scheduled for completion in the next twelve to eighteen months.
- PMGAA is updating the front entrance to the Airport at the intersection of Ray and Sossaman Roads. The project will begin with the removal of the existing monument and sculptures on the east and west sides of Sossaman Road in November. Then, a new monument sign, landscaping, irrigation, and lighting will be constructed.
- Several airport-owned buildings that have reached the end of their useful life have been removed. The demolition project created a new aeronautical development opportunity at the south end of the Airport. In September, PMGAA issued a Request for Qualifications (RFQ) for the eight-to-ten-acre aeronautical redevelopment. A pre-submittal meeting scheduled for today.
- The center runway, Runway 12C-30C was milled, overlaid and had the older runway lighting replaced with new LED lights. This project was completed last week. Funding for this nearly \$4MM project comes from an FAA BIL AIG grant. The Airport has two other 10,000-foot runways that allow for normal operations during these maintenance/improvement projects.

- Thanks to continued strong support from the FAA, the substantial reconstruction of Runway 12R-30L will be completed in the next two years. Phase I began in October 2024. Once the southern portion is completed, Phase II, the northern half of Runway 12R-30L, will be reconstructed. This important infrastructure project totals approximately \$45MM.
- Taxiway Whiskey is being repaired in front of the commercial passenger terminal. By the end of November, all impacted concrete on Taxiway Whiskey will be removed and replaced. This important airfield improvement and maintenance project is made possible thanks to the FAA and the State of Arizona.

8. FY24 Audited Financials Report – Jean Dietrich, Signing Director, CliftonLarsonAllen, LLP

Ms. Dietrich provided a brief overview of the Fiscal Year 2024 Audited Financials, resulting in the issuance of an unmodified (clean) opinion for the Phoenix-Mesa Gateway Airport Authority. No findings were reported.

9. Consent Agenda

- a) **Minutes** of the Board Meeting held on **August 20, 2024**.
- b) **Resolution No. 24-50** – Approving a tenth amendment to the **Executive Director's** employment agreement effective October 1, 2024.
- c) **Resolution No. 24-51** – Authorizing a purchase with **CDW Government LLC (CDW)** for annual Microsoft licensing renewals, in an amount not to exceed \$57,222.13.
- d) **Resolution No. 24-52** – Authorizing Phoenix-Mesa Gateway Airport Authority's (PMGAA's) insurance broker, **USI Insurance Services LLC**, to purchase benefit plans (medical, dental, vision, basic life/accidental death & dismemberment, and short-term disability) from various carriers. This consists of a 12-month renewal January 1, 2025 through December 31, 2025 with an estimated plan cost of \$1,296,557.
- e) **Resolution No. 24-53** – Authorizing an increase in spending for Air Service Development Consulting Services with **Mead & Hunt, Inc. (Mead & Hunt)**, in an amount not-to-exceed \$90,000 for the remainder of the contract for a total not-to-exceed amount of \$140,000.
- f) **Resolution No. 24-54** – Authorizing the purchase of one new 7,000-gallon aircraft refueler from **SkyMark Refuelers, LLC (SkyMark)** in an amount not to exceed \$373,961.40.
- g) **Resolution No. 24-55** – Authorizing a contract for the Roof Coating Phase 2 Project with **Jim Brown and Sons Roofing Co., Inc., dba JBS Roofing (JBS)**, to complete roof repairs and recoating on a number of PMGAA owned facilities, in an amount not to exceed \$175,983.49 under CIP1262.
- h) **Resolution No. 24-56** – Authorizing the Executive Director/CEO and/or delegate to negotiate, and for the Executive Director/CEO to execute a Facility Lease with **Top Aces Corp.** for the property located at 6229 South Sossaman Road, Mesa, AZ 85212 with an Effective Date of November 1, 2024. The Term for this agreement is two (2) years, terminating on October 31, 2026, with three (3), one-year (1) options to renew; with an Initial Term Lease Rate of \$332,835 annually.

**Mayor Brigitte Peterson moved to approve the Consent Agenda.
Mayor Chip Wilson seconded the motion.
The motion was carried unanimously.**

Consideration and Approval of:

- 10. Resolution No. 24-57** – Authorizing the Fifth Amendment to the Master Development Agreement with **Mesa SkyBridge, LLC** to modify infrastructure and development phasing and to authorize an Amendment to the Master Lease with Mesa SkyBridge, LLC to establish a flat percentage annual increase in base rent instead of triennial CPI adjustments and updated the Development Lease template.

**Mayor Brigitte Peterson moved to approve Resolution No. 24-57.
Mayor John Giles seconded the motion.
The motion was carried unanimously.**

11. Board Member Comments/Announcements.

None.

- 12. Next Meeting: Tuesday, November 19, 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.

13. Adjournment.

The meeting adjourned at 10:00 a.m.

Dated this ____ day of _____ 20__.

Misty Johnson, Clerk of the Board