



**MINUTES OF THE PUBLIC MEETING OF THE
MESA GATEWAY AIRPORT AUTHORITY
BOARD OF DIRECTORS | March 18, 2025**

A public meeting of the Mesa Gateway Airport Authority (MGAA, Authority) was convened on Tuesday, March 18, 2025, 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
Lt. Governor Regina Antone, Gila River Indian
Community
Mayor Mark Freeman, Mesa
Mayor Scott Anderson, 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

1. Call to Order at 9:02 a.m. (Mayor Wheatley, Chairwoman)

2. Pledge of Allegiance

3. Call to the Public

There were no public comments.

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

Executive Director O'Neill provided a briefing on MGAA financial performance, passenger activity, the community noise report, and various Airport projects.

- Fiscal Year-to-Date 2025 (FYTD) Net Operating Income is \$2,516,179.
- Mesa Gateway Airport (Airport, Gateway Airport) welcomed 169,813 commercial passengers in January 2025. This is up from the 158,391 passengers during January of last year.
- Private Development Project Updates
 - Virgin Galactic's hangar and manufacturing facility are complete. Hiring is underway. The hangar will house the mothership and the manufacturing facility will begin production of the six-passenger Delta spaceships later in 2025. Heavy machinery/assembly equipment has begun arriving and will continue through April/May timeframe. The mothership is anticipated to visit Gateway Airport sometime in the fall of 2025.
 - The demolition of several old Airport buildings has created a new aeronautical development opportunity at the south end of the Airport. In September a Request for Qualifications (RFQ) for the ± 8.00 acres of property designated for aeronautical redevelopment was released. The evaluation panel met on January 7, 2025 to review all qualified submittals. A candidate has been selected. The Authority will present this recommendation before the Board for consideration and approval.
 - Gateway Commerce Center III is being developed along the southeast corner of Sossaman Road and Velocity Way. This project includes two industrial buildings totaling approximately 98,000 sq. ft. Vertical construction began at the end of January/early February. The exterior walls are now in place.
 - Gateway East is a 273-acre Airport Business Park located on the east side of the Airport adjacent to Ellsworth Road and Gateway Boulevard. Construction is nearly complete for the

- 275,000 sq. ft. U.S. headquarters and manufacturing facility for Gateway East's first tenant, XNRGY Climate Systems. Manufacturing of high-end climate control systems is anticipated to begin at the end of April/beginning of May in XNRGY's new facility.
- The Gateway East developer, The Boyer Company out of Salt Lake City is working with the City of Mesa for pre-design of a five-acre development at the intersection of Ellsworth Road and Gateway Boulevard that will include a five-story, 125-room SpringHill Suites by Marriott Hotel, two retail buildings, and restaurant pads.
 - MGAA Briefs
 - Air Service Development
 - January and February passenger activity are up 7% and 5% respectively.
 - Allegiant added nonstop service to Colorado Springs on February 12th.
 - The spring/summer flight schedule shows continued growth with increases over last year during the March through August time period.
 - 2025 Mead & Hunt Air Service Conference is on April 1-3, 2025 in Phoenix. Executive Director O'Neill has airline meeting requests with United, Avelo, Sun Country, Frontier, Southern, Breeze, Southwest and Allegiant.
 - The U.S. Forest Service (USFS) is preparing for the 2025 wildfire season. Aircraft arrived in February at Gateway Airport for training. The USFS plans to open its Mesa Base on the 22nd of March.
 - The Authority has hosted several newly elected officials for tours of the Airport. These tours aid in understanding the economic importance of the Airport to the Phoenix East Valley and the State. The Executive Director has invited all elected officials interested in a tour to contact the Airport.
 - May 7, 2025 is the federal deadline for domestic airline travelers to have a federally compliant form of identification called Real ID, or in Arizona it's called Travel ID. Standard Arizona drivers' licenses and ID cards will no longer be accepted at TSA checkpoints.
 - MGAA Construction Project Updates
 - The reconstruction of Runway 12R-30L will be completed over the next two years. Phase I began in October 2024. Once the southern portion is completed in June, Phase II, the northern half of Runway 12R-30L, will be reconstructed after receiving the proposed federal grant. Concrete from the southern half of the 10,400-foot runway has been removed and crushed, and will be reused as the base course under the new concrete. This important infrastructure project totals approximately \$45MM, with a majority of the funding coming from FAA grants.
 - The south end of the Airport's airside service road has been reconstructed to accommodate fuel trucks traveling between the east side and west side of the airfield. The service road is paved and open for use.
 - The Authority is updating the signage for the front entrance of the Airport at the intersection of Ray and Sossaman Roads. A new monument sign, landscaping, irrigation, and lighting will be completed this spring.
 - The Authority has received a federal grant to update the airfield electrical system. Over the next two years the electrical system will be updated in conjunction with ongoing runway projects. This will include new LED lighting, upgrading the vaults, and the wiring connecting the three 10,000 ft. runways and ramp areas.
 - A new TSA checked baggage system will replace two older Reveal machines that can only clear 200 checked bags an hour. The new upgraded explosive detection equipment will be capable of clearing 800 – 1,000 bags an hour. This additional capacity will be necessary as the Airport continues to grow. This project is scheduled to get underway in August 2025.

5. Consent Agenda

- a) **Minutes** of the Board Meeting held on **February 18, 2025**.
- b) **Resolution No. 25-07** – Authorizing the purchase and installation of nine (9) 5-Ton HVAC Units from **365 Mechanical, LLC** in an amount not to exceed \$196,038.17.
- c) **Resolution No. 25-08** – Authorizing a contract modification in the amount of \$250,000 to the current Transportation Security Administration In-Line Checked Baggage Inspection System Project, CMAR Pre-Construction Services Contract with **The Weitz Company**, to include development of a Guaranteed Maximum Price, for a new contract total of \$300,000 in TSA funding and Airport non-grant funding under CIP 1265.
- d) **Resolution No. 25-09** – Authorizing a contract for the purchase and installation of Fire System Valves from **Cross Fire Protection LLC (Cross Fire)** in an amount not to exceed \$100,255.50 under CIP 1303.

Mayor Chip Wilson moved to approve the Consent Agenda.

Mayor Mark Freeman seconded the motion.

The motion was carried unanimously.

Consideration and Possible Approval of:

- 6. **Resolution No. 25-10** – Adopting the Mesa Gateway Airport Authority Fiscal Year **2026 Operating Budget** in the amount of \$37,083,033, the Fiscal Year 2026 Mesa Gateway Airport Authority **Capital Improvement Program and Debt Service** in the amount of \$73,599,712, and incorporated as if fully set forth herein, subject to the authority granted to the Executive Director/CEO under Board Policy #15-04, and including the **member government contributions and proportions** provided as follows: City of Mesa \$1,700,000 (61.60 %); Gila River Indian Community \$450,000 (16.30%); Town of Gilbert \$350,000 (12.68 %); Town of Queen Creek \$130,000 (4.71 %); City of Apache Junction \$130,000 (4.71 %).

Mayor Mark Freeman moved to approve Resolution No. 25-10.

Mayor Scott Anderson seconded the motion.

The motion was carried unanimously.

- 7. **Resolution No. 25-11** – Authorizing a lease agreement with the **United States Department of Agriculture, Forest Service (USDA-FS)** for the exclusive use of 276,699 square feet of Airport-owned apron (Alpha Apron Phase 3). The lease term commences on November 15, 2026, and terminates on November 14, 2046.

Mayor Chip Wilson moved to approve Resolution No. 25-11.

Mayor Mark Freeman seconded the motion.

The motion was carried unanimously.

8. Board Member Comments/Announcements.

Mayor Freeman stated he recently toured the SkyBridge development and asked about the process for privatizing the Fixed Base Operator (FBO). Executive Director O'Neill provided an overview of the solicitation process should the board of directors ever determine such a decision would be in the best interest of the Authority.

9. Next Meeting: Tuesday, April 15, 2025 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 Mesa Gateway Airport Authority may attend either in person or by audioconference.

10. Adjournment.

The meeting adjourned at 9:38 a.m.

Dated this ____ day of _____ 20__.

Misty Johnson, Clerk of the Board