



**MINUTES OF PUBLIC MEETING OF THE
PHOENIX-MESA GATEWAY AIRPORT AUTHORITY
BOARD OF DIRECTORS | February 19, 2019**

A public meeting of the Phoenix-Mesa Gateway Airport Authority was convened on Tuesday, February 19, 2019, 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 Jeff Serdy, Apache Junction
Lt. Governor Robert Stone, Gila River
Indian Community
Mayor Gail Barney, Queen Creek
Mayor Thelda Williams, Phoenix
Mayor John Giles, Mesa
Mayor Jordan Ray, Gilbert*
**Neither present nor represented*

Airport Staff Present

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

Guests Present

Aric Bopp, City of Mesa
Matt Busby, Apache Junction
Dustin Colwell, Kimley Horn
Alfa Cortez, Paradies
John Cox, Garver
Monica Farrell, Sletter
Fred Himovitz, HPI
Perry Koon, Intel
Sandra Kukla, DWL Architects
Karen MacVean, Keyser
Lance McIntosh, C&S Engineers

Pearl Meza, City of Phoenix
Jarrett Moore, Kimley Horn
Kathy Moss, World Fuel
Mark Myers, World Fuel
Ward Nichols, ASU
Bryant Powell, Apache Junction
Scott Sauve
Nicole Snyder, Johnson Carlier
Heather Wilkey, Town of Queen Creek
Melissa Yeager, AZ Republic

1. Call to Order at 9:00 a.m. (Mayor Jeff Serdy)

2. Call to the Public.

Public comment regarding Resolution 19-10 was heard following the Board's approval of Agenda Item 7.

3. Executive Director's Report. - J. Brian O'Neill, A.A.E., Executive Director/CEO

Executive Director O'Neill provided a briefing on PMGAA financial performance, passenger activity, the community noise report, and an update on various Airport projects. Fiscal Year-to-Date (FYTD) Net Operating Income is \$963,198.

- Air Service Development update, Swoop will extend their season through May 25th. Flair airlines is reducing their schedule to Edmonton down to two flights/week. PMGAA continues to build the Canadian service but the adjustments will continue to benefit the Airport. California Pacific had indefinitely suspended all operations due to aircraft issues.

- Taxiway Charlie has had a great deal of progress made and the project is set to complete in April. This project will provide more taxiway infrastructure and aviation-related development opportunities for the 700 available acres on the east side of the Airport.
- Checked Baggage Make-up and Baggage Claim Expansion allow our growing number of airline partners to efficiently load checked baggage into the cargo holds of departing aircraft and, as importantly, quickly deliver checked baggage to passengers arriving at Gateway Airport.
- The renovation of the Gateway Aviation Center continues. This building houses PMGAA's Gateway Aviation Services Department that provides a variety of aviation-related services for the Airport's corporate, military and general aviation customers. It is anticipated the project will be complete by the end of March. During construction, the General Aviation Services team continues to provide world-class, high-quality red-carpet service that our noncommercial passengers have come to expect when they fly in and out of Gateway. It's all about customer service!
- On January 15th, the Board approved the design package for the Air Traffic Control Tower (ATCT). Staff is well underway with designing the ATCT and are evaluating qualifications for Construction Manager At Risk (CMAR) candidates to be selected next month. We continue to move forward with the progress on the ATCT and hope to receive notice from FAA on approved grant monies to build the new tower. To recap, we began with a siting study in 2016, completed an environmental assessment, and are now in the design & funding phase. We hope with the approval of FAA, we would be under construction in 2020.
- The Unified Cargo Processing Program had its second operation last week. SkyBridge Arizona, PMGAA, and the City of Mesa welcomed the new Director of Mexican Customs Mr. Ricardo Peralta to Gateway Airport. Director Peralta witnessed firsthand the joint inspection and processing of a Unified Cargo Shipment bound for Mexico. The strong support from both countries has been critical to the success of the Unified Cargo Processing Program as SkyBridge Arizona continues to attract new customers.
- The Primary Legal Services RFQ was issued and PMGAA received proposals from various law firms. Staff is in the process of analyzing the proposals to establish a short list and an Interview Evaluation Panel. Note the recently-adopted PMGAA Policy governing the selection of Primary Legal Counsel Services provides for up to two PMGAA Board members or Gateway Senior Staff members to serve on the Interview Evaluation Panel.
- Peer-to-Peer Car Sharing is new opportunity in the transportation and hospitality industry. This service is very similar to the Air BNB service, allowing persons to rent out their vehicle. To do business at the Airport, an operating agreement must be in place to ensure the safety of its passengers and basic rules and regulations to follow. Transactions can happen anywhere, and staff is working with others in the region to find a solution on how to formulate the best operation for this platform to operate safely.
- Calendar Year 2018 Operations Metrics are positive and speaks to the progress that PMGAA has made as it continues to evolve into a thriving regional Airport. Commercial Passenger numbers

indicate a 13% increase; national average is 2%. Aircraft Operations decreased by 0.5% and will likely continue to decrease as we cater to more corporate and commercial activity. All other categories maintain a steady growth. Mayor Giles inquired if the Airport reached an agreement with Uber. Executive Director O'Neill stated that to date, staff continue to negotiate with Uber and hope to have an agreement for Board-approval soon.

4. Presentations

a) **FY20 Budget** - Chuck Odom, Chief Financial Officer

Mr. Odom provided a conceptual budget for the Board's review with plans to return on March 19th for adoption of the FY20 Budget and Capital Budget.

Mayor Williams inquired about the increase to employee salaries. Mr. Odom replied that 4% is budgeted, pending Board-approval.

b) **SkyBridge Master Plan Update** - Shea Joachim, CEcD, Business Development Director

Mr. Joachim provided a final briefing of the SkyBridge Master Plan, to include a review of the Financing Plan, the Marketing Plan, a Fiscal Impact Analysis, and an Economic Impact Analysis. At the March meeting, the CC&R's will be introduced, including a brief overview of all the components of the SkyBridge Master Plan, for the Board's consideration on March 19, 2019.

5. Consent Agenda.

a) **Minutes** of the Board Meeting held on **January 15, 2019**.

b) **Resolution No. 19-05** - Approval of the amended and restated **Phoenix-Mesa Gateway Airport Authority Personnel Rules**.

c) **Resolution No. 19-06** - Authorizing a facility lease agreement with **International Air Response Inc.** for a portion of the office space located at 6263 S Taxiway Circle, Mesa AZ 85212.

d) **Resolution No. 19-07** - Authorizing a facility lease agreement with **Hylan West, Inc.** for the facility located at 6350 S. Sossaman Rd., Mesa, AZ 85212. The lease term is for 38 months, commencing on March 1, 2019.

e) **Resolution No. 19-08** - Authorizing a Professional Services Agreement with **DWL Architects + Planners, Inc.** to provide Architectural and Engineering services for the Terminal Concessions Expansion Project, CIP 1086 in an amount not-to-exceed \$175,730.

Mayor Gail Barney moved to approve the Consent Agenda
Mayor John Giles seconded the motion.
The motion was carried unanimously.

Consideration and Possible Approval of:

6. **Resolution No. 19-09 - Authorizing the purchase of additional Jet A fuel from EPIC Aviation LLC for Airport Authority resale up to \$270,000.**

Mayor Thelda Williams moved to approve Resolution No. 19-09
Mayor Gail Barney seconded the motion.
The motion was carried unanimously.

7. **Resolution No. 19-10 - Authorizing a contract with World Fuel Services, Inc. to provide bulk and branded aviation fuels, fuel trucks, point of Sales services, and branding and marketing to the Phoenix-Mesa Gateway Airport Authority's Fixed Base Operator, Gateway Aviation Services for a period of four years, with one four-year extension, to be made at the sole discretion of PMGAA and Board approval.**

Mayor Gail Barney moved to approve Resolution No. 19-10
Lt. Governor Robert Stone seconded the motion.
The motion was carried unanimously.

Mr. Mark Myers thanked the Board for approving the contract and announced that the onboarding process with the Airport will be underway.

8. **Resolution No. 19-11 - Authorizing the purchase of aviation fuel for the period from April 1, 2019 through June 30, 2019 from World Fuel Services, Inc. in an amount not to exceed \$1,200,000.**

Mayor Gail Barney moved to approve Resolution No. 19-11
Mayor Thelda Williams seconded the motion.
The motion was carried unanimously.

9. **Board Member Comments/Announcements.**

Mayor Serdy acknowledged Mayor John Giles, Executive Director O'Neill and Ryan Smith attendance at Apache Junction's State of the City Address.

10. **Next Meeting: Tuesday, March 19, 2019 at 9:00 a.m.** in the Board Room (Saguaro A&B) of the Gateway Administration Building, 5835 S Sossaman Road, Mesa, Arizona.

11. **Adjournment.**

The meeting adjourned at 9:51 a.m.

Dated this 19th day of March, 2019.



Maria E. Gonzalez, Clerk of the Board