



**MINUTES OF PUBLIC MEETING OF THE  
PHOENIX-MESA GATEWAY AIRPORT AUTHORITY  
BOARD OF DIRECTORS | April 20, 2021**

A public meeting of the Phoenix-Mesa Gateway Airport Authority (PMGAA) was convened on Tuesday, April 20, 2021, 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 Gail Barney, Queen Creek  
Councilmember Jim Waring, Phoenix (*via videoconference*)  
Mayor John Giles, Mesa (*via videoconference*)  
Mayor Brigitte Peterson, Gilbert (*via videoconference*)  
Mayor Chip Wilson, Apache Junction  
Lt. Governor Monica Antone, Gila River Indian Community (*via videoconference*)

**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 (*via videoconference*)

*\* Neither present nor represented*

**1. Call to Order** at 9:12 a.m. (Mayor Barney)

**2. Roll Call**

**3. Pledge of Allegiance**

Mayor Barney introduced and welcomed the newest PMGAA board member representing the City of Phoenix, Councilmember Jim Waring.

**4. Call to the Public**

There were no public comments.

**5. 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 various Airport projects.

- Fiscal Year-to-Date (FYT) Net Operating Income is \$1,681,074.
- Commercial passenger activity at Gateway Airport is recovering since a low point in April 2020 due to the COVID-19 pandemic. A FYTD21 report revealed Gateway Airport is down 37% compared to the same time in FYTD20.
- PMGAA welcomes Avelo Airlines as its newest airline. The new, ultra-low-cost airline will offer daily nonstop service to Burbank, California beginning May 3<sup>rd</sup>.
- Allegiant Air has two new upcoming destinations. The inaugural flight to San Diego, California is on May 27<sup>th</sup> and the Jackson Hole, Wyoming inaugural flight is on June 2<sup>nd</sup>.
- Aviation Performance Solutions (APS) has substantially completed construction of their 65,000 SF hangar/corporate headquarters located at the north end of the airfield.

- Gateway Executive Airpark's 183,000 SF hangar complex has received all necessary permitting from the City of Mesa and is beginning construction. This impressive three-hangar project is comprised of both multi-tenant and single tenant lease opportunities.
- SkyBridge Arizona is moving forward with a 127-room Wyndham dual-brand hotel. Approval for this exciting project is included in the consent agenda.
- Last week the U.S. Forest Service opened their Mesa base. They have already had activity fighting fires around the region. Up to three DC-10 Tankers are expected to be stationed at Gateway Airport this fire season.
- Implementation of the federal Real ID/Arizona Travel ID program that would require a Real ID compliant driver's license or a valid passport for air travel or to enter federal buildings may be effective October 1, 2021.
- The Air Traffic Control Tower has gone vertical! Three levels of pre-cast concrete exterior wall panels have been erected and work has begun on the elevator shaft and interior stairwell.
- An additional four aircraft parking spaces are being constructed across from the commercial passenger terminal. This new remain overnight (RON) area should be available for use later this summer.
- The design contract for Phase III, and potentially Phase IV, of the Taxiway Alpha Apron Expansion Project is included in today's consent agenda. Ramp space is at a premium and PMGAA is looking to expand aircraft parking opportunities at the south end of the airfield.
- The Taxiway Whiskey Reconstruction project is underway. This ADOT grant funded project will improve a section of pavement directly in front of the commercial passenger terminal. All the work will be done at night when the commercial activity is done for the day.
- Mayor Barney asked about development of a future commercial passenger terminal on the east side of the Airport. Executive Director O'Neill explained that PMGAA has existing capacity in its current terminal, must further develop long-term revenue sources to support the debt service of any future bonds, and needs to get the airlines onboard with the idea of a new terminal. PMGAA is also exploring the redevelopment of the terminal annex (Gates 1-4) to increase terminal capacity and create another aircraft parking position.

- 6. COVID Federal Relief Grant Presentation** – Chuck Odom, Chief Financial Officer  
CFO Odom provided a breakdown of the three COVID-19 Federal Relief Grants and how the funds plan to be utilized to sustain Airport operations. PMGAA is scheduled to receive approximately \$33MM in grants from all three federal relief packages. These federal grants are being used to pay operating expenses during the prolonged COVID-19 virus outbreak.

Coronavirus Aid, Relief, and Economic Security Act (CARES Act)

- \$20,530,276 Airport Improvement Program Grant (Airport Only)
- \$744,392 Treasury Dept. – Payroll Support Agreement (FBO Salaries & Benefits) (PSP1)

Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA)

- \$4,175,991 Airport Improvement Program Grant (Airport Only)
- \$88,870 Concessions Relief Funding (For Rent MAG Relief for Qualifying Concessionaires Only)

American Rescue Plan Act of 2021 (ARPA)

- ~\$8,200,000 Airport Improvement Program Grant (Airport Only) (Estimate Only)
- ~\$755,000 Concessions Relief Funding (Estimate Only – Rules for Small and Large Concessions)

7. **GatewayEast Solicitation Update Presentation**– Shea Joachim, Business Development Director GatewayEast is a 400-acre mixed use non-aeronautical master development opportunity located on the east side of the Airport. On January 14, 2021 PMGAA held a virtual promotional event to introduce the GatewayEast development opportunity to experienced large-scale developers. The request for qualifications was released on January 21, 2021. The statement of qualifications was due on March 22, 2021. Twelve statement of qualifications were received. Evaluations of these twelve submittals are currently in process. The Request for Proposals will be released in May. PMGAA anticipates having the master developer selected by the end of 2021.
  
8. **Consent Agenda**
  - a) **Minutes** of the Board Meeting held on **March 16, 2021**.
  
  - b) **Resolution No. 21-08** Authorizing the procurement of security cameras, equipment, and installation from **Convergent Technologies, LLC**, in an amount not to exceed \$151,390.96.
  
  - c) **Resolution No. 21-09** Authorizing a Development Lease with **SKYPLUS HOTELS, CORP**, an Arizona Corporation, for 4.086 acres located within the SkyBridge Arizona project identified as Lot 116-A. The lease term is SIXTY (60) years commencing on May 1, 2021. To authorize an Adjustment Amendment with **MESA SKYBRIDGE, LLC** to concurrently remove Lot 116-A from the Master Lease Agreement.
  
  - d) **Resolution No. 21-10** Authorizing paving services with **Ace Asphalt of Arizona, Inc. (Ace Asphalt)** for Asphalt Rehabilitation Services for the North Remote Aircraft Parking Apron Project under CIP 1229, in an amount not to exceed \$440,895.76. Additionally, it is requested that this project be amended into and authorized as part of the 2021 Capital Budget Program.
  
  - e) **Resolution No. 21-11** Authorizing a Brochure Display and Distribution Concession Agreement with **Certified Folder Display Service, Inc.** The agreement term is four years with two two-year renewal options, commencing October 1, 2021 with a Year 1 Minimum Annual Guarantee (MAG) of \$4,500 and percentage rent of 30%.

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

**Consideration and Possible Approval of:**

9. **Resolution No. 21-12** – Authorizing the Executive Director to execute an operating agreement with **TEM Enterprises** for commercial air service at the Airport.

**Mayor Chip Wilson moved to approve Resolution No. 21-12.**  
**Lt. Governor Monica Antone seconded the motion.**  
**The motion was carried unanimously**

**10. Board Member Comments/Announcements.**

There were no comments or announcements.

**11. Next Meeting: Tuesday, May 18, 2021** 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 telephone/videoconference.

**12. Adjournment.**

The meeting adjourned at 9:40 a.m.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2021.

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Misty Johnson, Clerk of the Board