



**MINUTES OF PUBLIC MEETING OF THE  
PHOENIX-MESA GATEWAY AIRPORT AUTHORITY  
BOARD OF DIRECTORS | May 17, 2022**

A public meeting of the Phoenix-Mesa Gateway Airport Authority (PMGAA) was convened on Tuesday, May 17, 2022, 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 John Giles, Mesa  
Councilmember Jim Waring, Phoenix (*via  
videoconference*)  
Mayor Brigitte Peterson, Gilbert  
Mayor Chip Wilson, Apache Junction  
Lt. Governor Monica Antone, Gila River Indian  
Community\*  
Vice Mayor Jeff Brown, Queen Creek

**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  
Shea Joachim, Business Development Director

*\* Neither present nor represented*

**1. Call to Order** at 9:03 a.m. (Mayor Giles, Chair)

**2. Roll Call**

**3. Pledge of Allegiance**

**4. Motion to convene into Executive Session**

Pursuant to A.R.S. § 38-431-03 (A)(7), the Board of Directors may convene into executive session for the purpose of discussion and consideration regarding the purchase, sale, or lease of real property and discussion and consideration of a real estate lease transaction.

**Mayor Chip Wilson moved to convene into Executive Session.**

**Mayor Brigitte Peterson seconded the motion.**

**The motion was carried unanimously.**

**5. Motion to Reconvene from Executive Session to Regular Session (9:30 a.m.)**

**Mayor Brigitte Peterson moved to reconvene the PMGAA Board of Directors meeting.**

**Mayor Chip Wilson 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 PMGAA financial performance, passenger activity, the community noise report, and various Airport projects.

- Fiscal Year-to-Date 2022 (FYTD22) Net Operating Income is \$2,539,869.
- Best month ever! Phoenix-Mesa Gateway Airport (Airport, Gateway Airport) welcomed 239,160 commercial passengers during March 2022; a 45% increase in passengers compared to March 2021.
- Allegiant has announced reductions in service for June, July, and August due to a pilot shortage impacting their service system wide. Sun Country and Canadian airlines, Flair, WestJet, and Swoop will return with their seasonal routes in October. Swoop is continuing Saturday-only, year-round service to Edmonton.
- The Authority is conducting a Classification and Compensation Study to remain competitive in recruiting and retaining top talent.
- Gulfstream Aerospace Corporation (Gulfstream) has been leasing a 50,000 SF hangar at the Airport since the beginning of the year while their new facility is being constructed.
- Gateway *East* is a 300-acre mixed use non-aeronautical master development opportunity located on the east side of the Airport. The Boyer Company from Salt Lake City, Utah is working with the City of Mesa and the Authority on infrastructure needs to unlock the site. PMGAA is working with the developer to finalize negotiations on a master lease and master development agreement for the property. These agreements are anticipated to be presented to the Board for their consideration at the June Board meeting.
- Three hangars totaling 183,000 SF are under construction in the Gateway Executive Airpark located at the north end of the airfield. The first hangar will be available for lease later this summer. The steel for the second hangar is being erected.
- Construction is scheduled to begin on SkyBridge Arizona's 127-room dual-brand hotel in June. The hotel will offer rooms for both transient overnight guests and extended stay customers.
- **Gateway Tomorrow** is a planning initiative to reset and refine the vision for a future commercial passenger terminal campus on the east side of Airport. A Request for Qualifications for the long-range planning project has been issued. The PMGAA Board of Directors and staff, member communities, airlines, and other key stakeholders will be invited and encouraged to participate during every element of the planning process.
- The exterior of the Air Traffic Control Tower (ATCT) is at substantial completion. Interior construction continues. Federal Aviation Administration (FAA) technicians have been onsite installing the cabling and equipment. The ATCT is on-track to be commissioned at the end of summer 2022.
- PMGAA staff has submitted a Bipartisan Infrastructure Law (BIL) grant application for the new 30,000 SF, five-gate terminal addition. PMGAA is hoping to secure a \$20MM - \$25MM grant from the Terminal Modernization Program to complete the important project.
- A ticketing terminal connector is being designed to allow passengers to proceed from the ticketing terminal building directly into the security screening checkpoint area. This project will increase the queuing area for the security screening checkpoint by approximately 30%.
- PMGAA has expanded aircraft parking opportunities for larger/heavier aircraft at the south end of the airfield. Alpha Apron Phase III is complete and now in use by the U.S. Forest Service. The design for Alpha Apron IV is complete. Construction of Alpha Apron IV will begin once the Airport's new ATCT is finished.
- Included in the BIL is much-needed funding for other important Airport projects. PMGAA has received an additional \$4.4MM for reconstruction of a portion of its center runway. PMGAA is

working closely with its partners at the FAA to try and complete the runway reconstruction project in one year.

- PMGAA is improving the Rental Car Return Lot - re-designing traffic flow, expanding capacity, adding new facilities for the car rental companies, and erecting shade structures for customer convenience. PMGAA is also investing more than \$5MM in CFC funds to improve the Rental Car Care Facility where all rental vehicles are maintained, washed, and vacuumed.
- PMGAA is expanding its fuel storage capacity to protect against the negative impacts of fuel delivery disruptions. In March the Board approved Resolution 22-09 for the fuel farm expansion design. Current fuel storage is 250,000 gallons which is a 3-day supply and is susceptible to fuel delivery disruptions. The additional 4-day, 300,000 gallons in tank storage will provide a 7-day supply of 550,000 gallons to protect against operational failures due to fuel delivery disruptions.
- The Ray Road Economy Parking Lot Expansion is under construction. An additional 1,300 parking spaces will be completed for the busy July travel period with ample parking going into this year's holiday season.

#### 8. **Gulfstream Presentation** – Shea Joachim, Business Development Director

Mr. Joachim gave a presentation on PMGAA's growing partnership with Gulfstream and an overview of the land lease on the agenda for Board consideration.

Joe Rivera, Vice President of Gulfstream, gave an overview of the company, explained why they chose Gateway Airport, talked about future development opportunities, and acknowledged his appreciation for the collaboration and cooperation of those who have participated in this project.

#### 9. **Consent Agenda**

- a) **Minutes** of the Board Meeting held on **April 19, 2022**.
- b) **Resolution No. 22-18** – Authorizing a contract with **Artistic Land Management, Inc.** for landscape maintenance services in an amount not to exceed \$900,440.64 for five years which includes (2) one-year renewal options.
- c) **Resolution No. 22-19** – Authorizing a contract with **AZ Weed King, Inc.** for herbicide application services in an amount not to exceed \$425,773.24 for five years which includes (2) one-year options.
- d) **Resolution No. 22-20** – Authorizing the First Amendment to the Land Lease dated November 1, 2018, with **L37, LLC** for lot #37 in order to add approximately 37,825.6 square feet to the Premises.

**Mayor Chip Wilson moved to approve the Consent Agenda.**  
**Councilmember Jim Waring seconded the motion.**  
**The motion was carried unanimously.**

#### **Consideration and Possible Approval of:**

10. **Resolution No. 22-21** – Authorizing a land lease with **Gulfstream Product Support Corporation** for a lot of land consisting of approximately 18.62 acres. The Initial Term is forty (40) years, commencing on May 17, 2022, with two (2) five-year Renewal Terms.

Authorizing the Chair or the Executive Director/CEO to execute any and all other documents and instruments necessary and appropriate, in order to consummate the lease transaction and the Lessee's financing in conjunction therewith according to the terms and conditions set forth in the lease, including a consent to assignment and assumption and an owner's affidavit.

**Vice Mayor Jeff Brown moved to approve Resolution No. 22-21.  
Mayor Brigitte Peterson seconded the motion.  
The motion was carried unanimously.**

- 11. Resolution No. 22-22** – Authorizing an increase in the **Airport Car Rental Customer Facility Charge (CFC)** from \$2.50 to \$3.50 per vehicle per rental day effective August 1, 2022.

**Mayor Brigitte Peterson moved to approve Resolution No. 22-22.  
Mayor Chip Wilson seconded the motion.  
The motion was carried unanimously.**

- 12. Resolution No. 22-23** – Authorizing a Professional Service Agreement for On-Call Cultural and Archaeological Services with **SWCA Environmental Consultants, Inc.** (SWCA), for the length of the base term of three years with two optional one-year extensions for various grant and non-grant projects.

**Vice Mayor Jeff Brown moved to approve Resolution No. 22-23.  
Mayor Brigitte Peterson seconded the motion.  
The motion was carried unanimously.**

- 13. Resolution No. 22-24** – Authorizing a contract with **Republic Parking Systems, LLC (Republic Parking)** to provide parking operations at a fixed management fee, in an amount not to exceed \$1,571,468, for the length of the base term of three years, with two optional one-year extensions not to exceed \$534,224 and \$542,751 respectively. This amount does not include labor, which is a variable amount based on demand. Hourly labor rates, which include fringe benefits, for year one of the contract are below and will be adjusted on an annual basis:

Supervisors:	\$26.77
Shuttle Drivers:	\$24.98
Customer Service Representatives:	\$21.19
Parking Attendants:	\$21.19

**Mayor Chip Wilson moved to approve Resolution No. 22-24.  
Vice Mayor Jeff Brown seconded the motion.  
The motion was carried unanimously.**

- 14. Board Member Comments/Announcements.**

There were no comments or announcements.

- 15. Next Meeting: Tuesday, June 21, 2022** 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.

- 16. Adjournment.**

The meeting adjourned at 10:00 a.m.

Dated this 21<sup>st</sup> day of June 2022.

  
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Misty Johnson, Clerk of the Board