



**MINUTES OF PUBLIC MEETING OF THE
PHOENIX-MESA GATEWAY AIRPORT AUTHORITY
BOARD OF DIRECTORS | October 18, 2022**

A public meeting of the Phoenix-Mesa Gateway Airport Authority (PMGAA) was convened on Tuesday, October 18, 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 Brigitte Peterson, Gilbert
Councilmember Jim Waring, Phoenix (*joined via audioconference at 9:30*)
Mayor Chip Wilson, Apache Junction
Lt. Governor Monica Antone, Gila River Indian Community
Vice Mayor Jeff Brown, Queen Creek
Mayor John Giles, Mesa

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

** Neither present nor represented*

1. Call to Order at 9:02 a.m. (Mayor Peterson, Chair)

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.

Vice Mayor Jeff Brown 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 (9:30 a.m.)

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

Mayor John Giles 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 (FYTD) Net Operating Income is \$536,387.
- Record setting passenger activity in August and September! Phoenix-Mesa Gateway Airport (Airport, Gateway Airport) welcomed 119,403 commercial passengers during August 2022 and 114,515 in September, an 11% and 22% increase respectively in passengers compared 2021.
- Gulfstream has been leasing a 50,000 SF hangar at the Airport since the beginning of 2022 while their new 225,000 SF West Coast Service Center is constructed. The City of Mesa is providing landside infrastructure for wet and dry utilities and PMGAA is providing airside infrastructure improvements for access to the airfield.
- Virgin Galactic is leasing two of the three hangars in the Gateway Executive Airpark located at the north end of the airfield. Virgin Galactic intends to use the hangars as a final assembly manufacturing facility for its spaceships. The spaceships will be transported to New Mexico for their launch activities.
- Construction is underway on SkyBridge Arizona's new 129-room hotel and associated roadway infrastructure. They also recently received approval from the City of Mesa for two 250,000 SF industrial buildings. Construction of taxilane Sierra is expected to begin in early 2023.
- Gateway *East* is a 300-acre, mixed use non-aeronautical master development opportunity located on the east side of the Airport. The Boyer Company is working with the City of Mesa and the Authority on zoning and design standards for Phase I of the project.
- Renovations on the new Macayo's Mexican Food/Infusion Coffee & Tea Crafters concession in the terminal are nearly complete. The anticipated opening for these two new terminal restaurants is October 22nd.
- Gateway Tomorrow is a planning initiative designed to reset and refine the vision for a future commercial passenger terminal campus on the east side of Airport. Authority staff has been working with the consultant on the scope of work and total project cost. Authority staff is also working with PMGAA Board members and their communities to identify individuals interested in serving on the project's planning committee. Representatives from the FAA, Allegiant Air, and other major stakeholders will also serve on the committee.
- A 6,000 SF temporary terminal facility is being constructed to serve three-gates during construction on the new 30,000 SF five-gate terminal addition.
- Construction of an enclosed pedestrian walkway will allow passengers to proceed from the ticketing terminal building directly into the security screening checkpoint area. This customer service enhancement project will increase the queuing area for the security screening checkpoint by approximately 30% and will keep passengers in a climate-controlled environment from ticketing through security screening.
- Gateway Airport is continuing its expansion of the Alpha Apron. Phase IV is an additional 250,000 SF of concrete to increase parking for larger and heavier aircraft. Alpha Apron Phase III was completed just before the wildfire season this year and was used by the U.S. Forest Service.
- Center Runway Reconstruction began on October 3rd and is anticipated to be complete by April 2023. The runway will be closed while the reconstruction takes place. The Airport has two other 10,000-foot runways and will maintain normal operations during the entire project. Funding for this project utilizes a combination of FAA entitlement, discretionary and Bipartisan Infrastructure Law (BIL) grants.
- PMGAA is improving the Rental Car Return Lot and the Rental Car Care Facility. The improvements to the Rental Car Return Lot are nearly complete. This project is using Customer Facility Charge (CFC) funds to re-design traffic flow, expand capacity, add new office facilities, and erect shade structures for customer convenience. The Rental Car Care Facility where all

rental vehicles are maintained, washed, and vacuumed will undergo updates as well. This project will start in the spring of 2023 and will take approximately nine to twelve months to complete.

- PMGAA is planning to expand its fuel storage capacity to protect against future fuel delivery disruptions. Current on-Airport fuel storage capacity is 250,000 gallons, which is an approximately 4-day supply and susceptible to fuel delivery disruptions. The Authority is proposing the addition of two 50,000-gallon storage tanks to increase fuel storage on-Airport. This extra capacity will further protect the Airport and its customers from future fuel delivery disruptions.
- A new and improved parking lot revenue control system will be fully operational in all public parking lots at the Airport in time for the busy Thanksgiving holiday. This new system replaces the old token system currently used by PMGAA.
- PMGAA is constructing two taxiway connectors for Gulfstream Aerospace Corp. Gulfstream and the Authority are sharing the cost of the project. Anticipated completion of this project is February 2023, well in advance of Gulfstream needing to connect their new facility to the airfield.

8. Presentation: Audited Financials – Sandra Cronstrom, Principal CliftonLarsonAllen, LLP

Ms. Cronstrom provided a brief overview of the Fiscal Year 2022 Audited Financials, resulting in an issuance of an unmodified (clean) opinion for the Phoenix-Mesa Gateway Airport Authority. No material audit adjustments were made.

Chuck Odom, PMGAA CFO thanked Ms. Cronstrom for coming out today to present to the Board. Executive Director O'Neill thanked the finance team for their efforts in this successful independent audit.

9. Consent Agenda

- a) **Minutes** of the Board Meeting held on **September 20, 2022.**
- b) **Resolution No. 22-65** – Approving an amendment to the **Executive Director/CEO** employment contract effective October 1, 2022.
- c) **Resolution No. 22-66** – 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, 2023, through December 31, 2023 with an estimated plan cost of \$1,452,030.
- d) **Resolution No. 22-67** – Authorizing a purchase with **CDW Government, Inc. (CDW-G)** for annual Microsoft licensing renewals, in an amount not to exceed \$61,937.63.

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

Consideration and Possible Approval of:

- 1. Resolution No. 22-68** – Authorizing an Agreement with **DWL Architects + Planners, Inc. (DWL)** for Design and Engineering Services for the Enclosed Pedestrian Walkway, in an amount not to exceed \$307,620 under CIP 1252.

Mayor John Giles moved to approve Resolution No. 22-68.
Lt. Governor Monica Antone seconded the motion.
The motion was carried unanimously.

- 7. Board Member Comments/Announcements.**

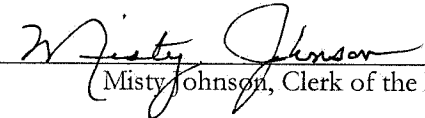
None.

- 8. Next Meeting: Tuesday, November 15, 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.

- 9. Adjournment.**

The meeting adjourned at 9:58 a.m.

Dated this 15th day of November 2022



Misty Johnson, Clerk of the Board