



**MINUTES OF PUBLIC MEETING OF THE
PHOENIX-MESA GATEWAY AIRPORT AUTHORITY
BOARD OF DIRECTORS | February 21, 2023**

A public meeting of the Phoenix-Mesa Gateway Airport Authority (PMGAA) was convened on Tuesday, February 21, 2023, 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*
Mayor Chip Wilson, Apache Junction
Lt. Governor Monica Antone, Gila River Indian
Community (*via audioconference*)
Mayor Julia Wheatley, Queen Creek
Mayor John Giles, Mesa*

**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 9:00 a.m. (Mayor Peterson, Chair)

2. Roll Call

3. Pledge of Allegiance

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 (FYTD) Net Operating Income is \$1,502,698.
- Record setting passenger activity in December 2022! (199,287 total passengers)
- Record setting total commercial passengers for 2022! (1,890,684 total passengers)
- The Authority's ongoing Airline Recruitment Program is designed to attract additional air service and new airlines to the Airport. In February PMGAA met with representatives from Sun Country Airlines, Avelo Airlines, Alaska Airlines, United Airlines and Breeze Airways at the annual Mead & Hunt Air Service Conference.
- Super Bowl LVII and the WM Phoenix Open brought more than 125 private executive jets to Phoenix-Mesa Gateway Airport earlier in February. The Gateway Aviation Services Team created and executed a very successful plan to provide efficient operations and great customer service for all the customers.
- Gulfstream Aerospace has established a base at the Airport and is leasing over 100,00 sq. ft. of hangar space while their new 225,000 sq. ft. West Coast Service Center is being constructed.
- 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. One challenge they've overcome is the inadequate facility height of Hangar B. In order to be able to use this hangar to house the "mothership", they've taken down all of the steel structure and added 20' to the sides of the building. Substantial completion of these hangars is expected by the end of 2023/beginning of 2024.

- SkyBridge Arizona is holding a groundbreaking event for the first of two 250,000 sq. ft. industrial buildings. The event will be held on February 21st at 10:00AM for elected officials and other invited guests. These two large buildings are being built to accommodate both single and multiple tenants.
- Gateway *East* is a 300-acre, mixed use, non-aeronautical development opportunity located on the east side of the Airport. The Boyer Company is working with the city of Mesa and the Authority on the Master Plan and the permits for Phase I of the project (100 acres).
- The City of Mesa is working to construct roadway and utility infrastructure to allow for both the Gulfstream development and the first 100 acres of Gateway *East's* development.
- Erik Amend, Acting FAA Regional Administrator, visited the Airport on February 9th for a tour and discussion about federal funding and air traffic control tower staffing.
- Gateway Tomorrow is a year-long planning initiative that will help develop an updated vision for a demand-driven commercial passenger terminal campus on the east side of the Airport.
- Construction of the underground utilities for the Airport's new 30,000 sq. ft. five-gate terminal addition is underway. Gone is the 10,000 sq. ft. portable four-gate facility that was rolled in for use in 2008. During construction a 6,000+ sq. ft. temporary terminal facility has been erected to serve as a hold room for three-gates. Once the terminal addition is complete, the temporary sprung structure facility will be disassembled and reassembled elsewhere on the Airport, possibly for reuse as a U.S. Customs and Border Protection Federal Inspection Services (FIS) Facility.
- Gateway Airport is continuing its expansion of the Alpha Apron. Phase IV is an additional 250,000 sq. ft. of concrete to increase parking for larger and heavier aircraft. Alpha Apron Phase III was completed last year. Phase IV expansion will be complete in April 2023.
- Center Runway Reconstruction began October 3, 2022 and is anticipated to be complete in April 2023. The runway is 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 completing construction of two taxiway connectors from Gulfstream's ramp to Taxiway Charlie. This project will provide for the efficient flow of aircraft to and from Gulfstream's new facility.
- The Authority has purchased three new 50,000-gallon Jet-A fuel storage tanks that will be delivered in August. This additional fuel storage capacity will provide the Airport with approximately seven days of on-Airport fuel storage.

Mayor Wheatley thanked Executive Director O'Neill for the thorough report, congratulated the Authority on the record-breaking passenger activity, and is looking forward to celebrating 2,000,000 annual passengers in the near future.

6. Fiscal Year 2024 Budget Presentation – Chuck Odom, Chief Financial Officer

- Mr. Odom provided a presentation on PMGAA's proposed FY24 Operating and Capital Budget for the Board's review. The Board will be asked to consider the budget for approval at the March 21, 2023, PMGAA Board meeting.

Mayor Peterson thanked CFO Odom for the comprehensive report and thanked the Authority for being fiscally responsible.

7. Consent Agenda

- a) **Minutes** of the Board Meeting held on **December 20, 2022**.
- b) **Resolution No. 23-01** – Authorizing annual changes to the **Airport Rules and Regulations**.
- c) **Resolution No. 23-02** – Authorizing the purchase and installation of four (4) 1500GPM and one (1) 2500GPM Fire Pump Skids and four (4) three-hundred-gallon Fuel Tanks from **Cross Fire Protection LLC (Cross Fire)** in an amount not to exceed \$499,921.59 under CIP1238.
- d) **Resolution No. 23-03** – Authorizing a contract with **Crosspoint Testing and Inspection Services, LLC (Crosspoint)** to provide Structural Special Inspection and Fire Proofing Special Inspection Services for the Terminal Modernization project and future projects, on a per task basis, utilizing an Authorization of Services, under CIP1201.
- e) **Resolution No. 23-04** – Approving an Authorization of Services (AOS) with **Crosspoint Testing and Inspection Services, LLC (Crosspoint)** to provide Structural Special Inspection and Fire Proofing Special Inspection Services for the Terminal Modernization project in an amount not to exceed \$114,150 under CIP1201.

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

Consideration and Approval of:

8. **Resolution No. 23-05** Authorizing a facility lease agreement with **Allegiant Air, LLC** for the property located at 6250 S. Taxiway Circle, Mesa AZ 85212. The lease term is five years commencing on March 1, 2023.

Michael Graci, Allegiant's Airport Affairs Manager, reported on the airline's plans for the 62,000 sq. ft. hangar. Allegiant will use the hangar for ongoing line maintenance activities and future Maintenance, Repair, and Overhaul (MRO) services.

Mayor Julia Wheatley moved to approve Resolution No. 23-05.
Mayor John Giles seconded the motion.
The motion was carried unanimously.

9. **Resolution No. 23-06** Authorizing a Facility Lease and Airport Operating Agreement with **DSV Air & Sea Inc.** for the properties located at 6203 and 6211 S. Sossaman Road, Mesa, AZ 85212 with an Effective Date of March 1, 2023. The Term for both agreements is thirty-nine months, terminating on May 31, 2026, with two (2), three (3) year options to renew.

Tina Larsen, DSV Air & Sea Director, reported on their plans for importing and eventually exporting air cargo through Phoenix-Mesa Gateway Airport.

**Mayor Chip Wilson moved to approve Resolution No. 23-06.
Mayor Julia Wheatley seconded the motion.
The motion was carried unanimously.**

10. **Resolution No. 23-07** Authorizing a lease agreement with **USDA-FS CSA Southwest 4** for the exclusive use of 286,500 SF of Airport-owned apron. The lease term commences on February 21, 2023 and terminates on September 30, 2023.

**Mayor Julia Wheatley moved to approve Resolution No. 23-07.
Mayor Chip Wilson seconded the motion.
The motion was carried unanimously.**

11. **Board Member Comments/Announcements.**

Mayor Peterson welcomed newly elected Queen Creek Mayor Julia Wheatley to the Board of Directors. SkyBridge Arizona is holding a groundbreaking event at 10 a.m. today at 7733 E Velocity Way in Mesa. This is for the construction of one of two 250,000 sq. ft. industrial buildings.

12. **Next Meeting: Tuesday, March 21, 2023** 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 audioconference.

13. **Adjournment.**

The meeting adjourned at 9:56 a.m.

Dated this 21st day of March 2023.


Misty Johnson, Clerk of the Board