



**MINUTES OF PUBLIC MEETING OF THE  
PHOENIX-MESA GATEWAY AIRPORT AUTHORITY  
BOARD OF DIRECTORS | May 16, 2023**

A public meeting of the Phoenix-Mesa Gateway Airport Authority (PMGAA) was convened on Tuesday, May 16, 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 (*via audioconference*)  
Mayor Chip Wilson, Apache Junction (*via audioconference*)  
Lt. Governor Monica Antone, Gila River Indian Community\*  
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 9:01 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 \$3,158,708.
- Phoenix-Mesa Gateway Airport (Airport, Gateway Airport) welcomed 229,810 commercial passengers during March 2023. This is a slight dip compared to the 239,160 passengers in March 2022.
- Governor Hobbs recently signed a 2023-2024 State Budget that included an appropriation of \$7MM for the Airport’s new five-gate, 30,000 square foot terminal addition currently under construction. In FY2022, PMGAA submitted a grant request for \$20MM as part of the Bipartisan Infrastructure Law (BIL) Airport Terminal Program and received \$14.4 MM. The total project cost is \$28 MM.
- Last month SkyBridge Arizona held a groundbreaking event on Lot 108 for the second of two 250,000 sq. ft. industrial buildings. Since then, construction of the horizontal infrastructure began with the footings poured for the two buildings. These two large buildings are being built to accommodate both single and multiple tenants.

- Gulfstream has established a base of operation at the Airport and is leasing over 100,000 sq. ft. of hangar space while their new 225,000 sq. ft. West Coast Service Center is being constructed. Gulfstream is working towards a completion date in the beginning of 2024.
- Gateway *East* is a 300-acre, mixed use, non-aeronautical development opportunity located on the east side of the Airport. The master developer for this project is The Boyer Company from Salt Lake City, UT. They are working with the City of Mesa on entitlements for the project. They will present the Master Plan for the development to the PMGAA Board at an upcoming meeting.
- Virgin Galactic is leasing two of the three hangars in the Gateway Executive Airpark located at the north end of the airfield. Progress continues on the customization of these hangars. The steel is being erected on the 125,000 sq. ft. hangar and the reinforced footings are being poured on the second hangar.
- Representatives from PMGAA and the City of Mesa met with industry leaders and some of Arizona's Delegation in Washington, DC earlier this month to discuss the need and benefits of moving Gateway Airport's Contract Air Traffic Control Tower into the FAA Air Traffic Control Tower Program. Maintaining staffing of air traffic controllers in a contract tower is the biggest challenge. The FAA frequently recruits from this pool of controllers into the FAA Tower Program.
- Seasonal Canadian airlines, WestJet, Swoop and Flair will not return to Gateway Airport this coming fall for the winter season. The airline industry is dynamic, with domestic and international airlines entering and exiting markets based on several factors – profitability, market share, number of aircraft, and pilot availability. PMGAA wishes all three Canadian airlines the very best of luck and will happily welcome them back should they chose to return to Gateway Airport at a later date.
- On May 23<sup>rd</sup> the **Gateway Tomorrow** Planning Stakeholder Advisory Committee (SAC) will meet to evaluate three possible alternatives for the various components of relocating the commercial terminal complex to the east side of the airfield. The SAC consists of representatives for the six member communities, Allegiant Air, the Federal Aviation Administration, PHX East Valley Partnership, PMGAA, and other key stakeholders.
- DSV Air and Sea is a global transport and logistics company. On Tuesday, May 16<sup>th</sup> it celebrates the expansion of its air charter network to Gateway Airport with a ribbon cutting ceremony. In February DSV signed a lease for a 22,000 sq. ft. hangar at Gateway Airport. Twice weekly scheduled service of air cargo will begin in late May/early June.
- The underground utilities are in place for the Airport's new 30,000 sq. ft. five-gate terminal addition. The concrete floor has been poured and concrete block walls are going up. Gone is the 10,000 sq. ft. portable four-gate facility that was constructed in 2008. During construction a 6,000+ sq. ft. temporary terminal facility has been erected to serve as a hold room for three-gates.
- 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 and will keep passengers in a climate-controlled environment from ticketing through security screening. This project is anticipated to be complete in February 2025.
- Due to increasing passenger activity at PMGAA, a new TSA In-Line Checked Baggage System (BHS) is being installed to improve efficiency and speed up baggage processing. This will be paid for with a TSA grant. The design for this project will be complete in June.

- Improvements to the Rental Car Care Facility are underway. The project includes new vehicle wash and vacuum bays, upgraded maintenance facilities, additional vehicle queuing and storage and new operations offices. PMGAA, in conjunction with all its rental car companies, is investing between \$8 - \$9MM to make the improvements. The funding for the project comes from the Airport's dedicated Customer Facility Charge (CFC) account.
- Fuel Farm Expansion - 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. This project begins in June and is scheduled to be completed by the end of the year.
- Inside Runway Reconstruction bid opening is June 1, 2023.

## 6. Consent Agenda

- a) **Minutes** of the Board Meeting held on **April 18, 2023**.
- b) **Resolution No. 23-22** – Authorizing **Alliant Insurance Services, Inc. (Alliant)** under the terms of its existing Insurance Broker / Risk Management Consulting Agreement with the Phoenix-Mesa Gateway Airport Authority to purchase specific lines of insurance on behalf of the Authority beginning July 1, 2023, not to exceed premium cost of \$646,110.
- c) **Resolution No. 23-23** – Authorizing a three-year contract with two additional one-year extension periods at the sole option of Phoenix-Mesa Gateway Airport Authority, with **USI Insurance Services, Inc. (USI)** for Insurance Broker Services in an amount not to exceed \$169,000 over the five (5) year period.
- d) **Resolution No. 23-24** – Authorizing a facility lease with **Task Aerospace, Inc.** for a portion of the facility located at 5755 South Sossaman Road, Mesa AZ 85212. The lease term is one (1) year, commencing on July 1, 2023 with one (1) additional renewal period of one (1) year.
- e) **Resolution No. 23-25** – Authorizing granting **Salt River Project** a 2.97-acre perpetual easement.

**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. 23-26** Authorizing a Development Lease with **SkyB Lot 116-B LLC**, an Arizona limited liability company, for 4.15 acres located within the SkyBridge Arizona project identified as Lot 116-B. The lease term is SIXTY (60) years commencing on June 1<sup>st</sup>, 2023. To authorize an Adjustment Amendment with MESA SKYBRIDGE, LLC to concurrently remove Lot 116-B from the Master Lease Agreement.

**Mayor Julia Wheatley moved to approve Resolution No. 23-26.**

**Mayor Chip Wilson seconded the motion.**

**The motion was carried unanimously.**

9. **Resolution No. 23-27** Authorizing a Development Lease with **SkyB Lot 118 LLC**, an Arizona limited liability company, for 2.11 acres located within the SkyBridge Arizona project identified as Lot 118-A. The lease term is SIXTY (60) years commencing on June 1<sup>st</sup>, 2023. To authorize an Adjustment Amendment with MESA SKYBRIDGE, LLC to concurrently remove Lot 118-A from the Master Lease Agreement.

**Councilmember Jim Waring moved to approve Resolution No. 23-27.**  
**Mayor Julia Wheatley seconded the motion.**  
**The motion was carried unanimously.**

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

None.

11. **Next Meeting: Tuesday, June 20, 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.

12. **Adjournment.**

The meeting adjourned at 9:29 a.m.

Dated this \_\_\_\_ day of \_\_\_\_\_ 20\_\_.

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Misty Johnson, Clerk of the Board