MINUTES OF PUBLIC MEETING OF THE
PHOENIX-MESA GATEWAY AIRPORT AUTHORITY
BOARD OF DIRECTORS | October 20, 2020

A public meeting of the Phoenix-Mesa Gateway Airport Authority (PMGAA) was convened on Tuesday, October 20, 2020, 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
Councilwoman Thelda Williams, Phoenix *(via videoconference)*
Mayor John Giles, Mesa *(via videoconference)*
Councilmember Scott September, Gilbert
Mayor Jeff Serdy, Apache Junction
Lt. Governor Robert Stone, Gila River Indian Community *(via videoconference)*

*Neither present nor represented*

**Guests Present**

Ken Halverson, Jetstrip
Jim McCauley, USI

1. **Call to Order** at 9:03 a.m. (Mayor Barney)

2. **Roll Call.**

3. **Pledge of Allegiance.**

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

   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.

   Mayor Jeff Serdy moved to convene into Executive Session. Councilwoman Thelda Williams seconded the motion. The motion carried unanimously.

5. **Motion to Reconvene from Executive Session to Regular Session (9:35 a.m.).**

   Councilmember Scott September moved to reconvene the PMGAA Board of Directors meeting. Lt. Governor Robert Stone seconded the motion. The motion 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 $892,410.
- On November 19th, Allegiant will begin a new nonstop service to Santa Maria, California. Swoop is returning to Gateway Airport with nonstop service to Edmonton beginning October 25th.
- The new 65,000 SF APS Corporate Headquarters/Hangar Complex continues to move forward. Work has now begun on the second hangar as part of this complex. The project is scheduled to be completed by the end of February 2021. The doors and finishing touches are now being installed on Aerocircular’s 50,000 SF hangar. This project will be completed in November. The Belgium-based company will be “upcycling” Boeing 737 aircraft. Construction on SkyBridge Arizona’s 82,500 SF hangar continues to progress. The hangar is scheduled to be completed in December.
- Earlier this year the PMGAA Board reaffirmed the seven strategic organizational goals that guide PMGAA activities. PMGAA staff has since updated the organizational values and expanded on the objectives and initiatives designed to help reach the established goals. Now, new departmental tactical plans are being created to help focus Airport activities during the next two to three years. Staff will present an updated 2021 Strategic Business Plan during first quarter next year.
- A virtual ground-breaking event is being planned for the new Air Traffic Control Tower. It will provide an excellent opportunity to thank the many individuals who worked so hard to make this project a reality. Executive Director O’Neill shared a snippet of the video being created to coincide with the actual ground-breaking in November.
- The Hawes Road Bridge project is nearing completion. This new access road will eventually serve as the “front door” for Gateway Airport’s future demand-driven commercial passenger terminal. This important $11M project is being paid for with Passenger Facility Charges (PFCs).
- The Ellsworth Channel has been relocated to the perimeter of the 700 acres located on the east side of the airfield to allow for future development. The old Ellsworth Channel bisected the property and created development challenges.
- The Terminal Concession Construction Program continues to move forward, upgrading Gateway Airport’s existing food, beverage, and retail concessions into new, popular brands. The new O.H.S.O. Brewery has been very popular with passengers and the new Saguaro Mercantile, offering unique Arizona products, is also experiencing a high level of success. The new Panera Bread will open at the beginning of November. Once Panera Bread is open, the Copper Plate Restaurant will close and construction will begin on the new Macayo’s Mexican Restaurant.

8. **Presentation: Allegiant.** – Thayne Klingler, Director, Airport Affairs/Corporate Real Estate Allegiant Air

Allegiant Airlines entered the year of 2020 expecting this to be one of their best years ever. However, due to the current global pandemic, plans have significantly changed. Allegiant is making tough decisions and has a survival plan during the COVID-19 virus outbreak. The airline is downsizing headquarter personnel and furloughing pilots in an effort to cut costs. Allegiant has built a robust spring schedule for Phoenix-Mesa Gateway Airport, which is faring better than other Allegiant airports during the pandemic. Director Klingler expressed appreciation to the local communities, the PMGAA Board, and Executive Director O’Neill and staff for their continued support.

9. **Consent Agenda.**
a) Minutes of the Board Meeting held on September 15, 2020.

b) Resolution No. 20-38 Authorizing a contract with Cross Fire Protection, LLC to provide Airport Wide Fire System Test, Inspect, Monitoring and Repair services for all fire protection/alarm systems installed throughout the Airport’s property, in an amount not to exceed $116,180 ($38,726.35 per year), excluding repair services, for the initial three (3) year contract period, with two (2) one-year renewal options, thereafter, prices will be considered annually.

c) Resolution No. 20-39 Authorizing a contract with JE Fuller/Hydrology & Geomorphology, Inc. (JE Fuller) for Wildlife Hazard Assessment Services, in an amount not to exceed $67,490.00.

d) Resolution No. 20-40 Authorizing the purchase of two ADA Passenger Boarding Ramps from Timberline GSE in an amount not to exceed $130,168.00.

e) Resolution No. 20-41 Authorizing paving services with Ace Asphalt of Arizona, Inc. for Asphalt Rehabilitation Services for the Daily Parking Lot Asphalt Rehabilitation Project CIP 1088 in an amount not to exceed $168,606.

f) Resolution No. 20-42 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, 2021 through December 31, 2021 with an estimated plan cost of $1,297,226.

g) Resolution No. 20-43 Authorizing an amendment to the Executive Director/CEO employment contract.

Mayor Jeff Serdy moved to approve the Consent Agenda.
Councilwoman Thelda Williams seconded the motion.
The motion was carried unanimously.

Consideration and Possible Approval of:

10. Resolution No. 20-44 Authorizing Amendment 1 to the Land Lease Agreement with Gateway Executive Airpark, LLC for lots 11-14.

Mayor John Giles moved to approve Resolution No. 20-44.
Mayor Jeff Serdy seconded the motion.
The motion was carried unanimously.

11. Resolution No. 20-45 Authorizing the Executive Director to execute an operating agreement with Swoop, Inc. for commercial air service at the Airport.

Councilmember Scott September moved to approve Resolution No. 20-45.
Mayor Jeff Serdy seconded the motion.
The motion was carried unanimously.

12. Board Member Comments/Announcements.
There were no comments or announcements.
13. **Next Meeting:** Tuesday, **November 17, 2020** 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.

14. **Adjournment.**
   The meeting adjourned at 10:05 a.m.

Dated this 17th day of **November** 2020.

[Signature]
Misty Johnson, Clerk of the Board