



## Williams Gateway Airport Authority BOARD MEETING

5835 S. Sossaman Road ♦ Mesa, Arizona 85212

Monday, June 22, 2009 ♦ 9:00 a.m.

### AGENDA

1. **Call to Order: Williams Gateway Airport Authority – Mayor Scott Smith, Chair**
2. **Awards, Guest Introductions, and Announcements**
3. **Comments From the Public:** *(Members of the public may comment on any item of interest. Arizona Open Meeting law does not permit the Board to discuss items not specifically on the agenda.)*
4. **Progress Reports:**
  - a) **ASU Polytechnic – Jean Humphries, Assistant Vice President Business and Finance**
  - b) **Chandler-Gilbert Community College – John Schroeder, Provost**
5. **Review of Monthly Staff Reports and Updates on: Construction ♦ Commercial Service**
  - ♦ **Finance** - Lynn Kusy, Executive Director

**5b. Presentation: SRP Abel-Moody 230kV Transmission Project – Tom Novy, SRP Project Manager (See Resolution No. 09-26)**

**6. Consent Agenda: Consideration and Possible Approval of:**

**Tab A- Minutes** of Board Meeting held on May 18, 2009.

**Tab B- Resolution No. 09-19** - Authorizing the Airport Authority to Accept any Federal Aviation Administration Grant Offer(s) Received between July 1, 2009 and June 30, 2010.

**Tab C- Resolution No. 09-20** - Authorizing the Airport Authority to Accept any Arizona Department of Transportation Grant Offer(s) Received between July 1, 2009 and June 30, 2010.

**Tab D- Resolution No. 09-21** - Adopting an Amendment to the Intergovernmental Agreement between the City of Mesa and Williams Gateway Airport Authority for Fire Vehicle and Equipment Maintenance Services Effective July 1, 2009 at a Cost of Approximately \$22,000.

**Tab E - Resolution No. 09-22** – Authorizing a One-Year Landscape Maintenance Contract with Mariposa Landscape Arizona, Inc. Commencing July 1, 2009 in the Amount of \$106,993.

**Tab F - Resolution No. 09-23** – Authorizing Willis of Arizona, Inc. to Purchase Insurance from Various Companies for Period July 1, 2009 to July 1, 2010 at a Total Cost of \$268,541.

**Consideration and Possible Approval of:**

7. **Resolution No. 09-24** – Adopting Fiscal Year 2009-2010 Strategic Business Plan.
8. **Resolution No. 09-25** - Authorizing a Terminal Concession Lease Agreement with StarGateway, LLC to Operate the Just Plane Food Café in the Airport Passenger Terminal Annex. The Agreement Term is Seven Years, Commencing July 1, 2009, and is Payable Monthly at the Greater of the Initial Rental Rate of \$2,916.67 or 12 Percent of Gross Revenues.
9. **Resolution No. 09-26** – Authorizing the Executive Director to File a Notice of Intent to be a “Party” with the Arizona Power Plant and Transmission Line Siting Committee Related to Salt River Project’s Abel-Moody 230kV Transmission Project.

10. **Resolution No. 09-27** – Adopting a Revised Airport Rates and Charges Schedule, to be Effective July 1, 2009, Superseding all Previous Editions.
11. **Resolution No. 09-28** – Adopting Revised Commercial Real Estate Brokers and Agents Policy #4202 to Establish New Commission Guidelines and Continue Allowing Payments For New Property Lease Agreements for WGAA-Owned Buildings and Land.
12. **Information Item:** Notification of Emergency Procurement - Pavement Repair \$45,886.63.
13. **Board Member Comments / Announcements**
14. **Next Meeting:** Monday, July 27, 2009 – 9:00 am
15. **Adjourn**

Pursuant to ARS 38-431.02, notice is hereby given to the members of the Williams Gateway Airport Authority and the general public that the Airport Authority will hold a meeting open to the public on Monday, June 22, 2009 at 9:00 am. One or more members of the Board may attend meeting by electronic means ♦ Agenda posted at [www.phxmesagateway.org](http://www.phxmesagateway.org)

**MINUTES OF THE  
WILLIAMS GATEWAY AIRPORT AUTHORITY**

**BOARD MEETING**

**MAY 18, 2009**

**AIRPORT AUTHORITY BOARD MEMBERS**

Mayor Scott Smith, Mesa  
Mayor Art Sanders, Queen Creek  
Councilwoman Thelda Williams, Phoenix \*\*  
Mayor Steve Berman, Gilbert  
Lt. Governor Joseph Manuel, Gila River Indian Community \*\*

*\*\* neither present nor represented*

**GUESTS PRESENT**

Nikki Amberg, City of Mesa	Jean Humphries, ASU Polytechnic
Roc Arnett, East Valley Partnership	Larry Kieser, Mesa Police Department
Jacques Blondeau, Embraer	Sandra Kukla, DWL Architects
Russ Brandt, Blue Chip	Augusto Meoli, Vision Land Holdings
Michael Braun, DWL Architects	Jim Peterson, City of Phoenix
Scott Butler, City of Mesa	Steve Rao, DWL Architects
Jeff Carr, Air Force Research Lab	Scot Rigby, City of Mesa
Jenny DiGiro, Embraer	Christopher Schmaltz, Gust Rosenfeld
Shane Dille, Town of Queen Creek	Sal Semo, Discount Cab Company
Jospeh Feeney, Hawker Beechcraft	Art Thomason, Arizona Republic
Ken Halverson, KMH Holdings	Richard Tracy, Mesa Resident
Gary Hodorski, Gateway Ambassador	

**AIRPORT STAFF PRESENT**

Casey Denny, Deputy Director  
Doug Drown, Director of Financial Planning & Budgeting  
Walter Fix, Director of Planning and Special Projects  
Gretchen Hawkins, Executive Assistant/Clerk to the Board of Directors  
Lynn Kusy, Executive Director

**CALL TO ORDER**

The meeting was called to order by Chair Smith at 9:03 a.m.

**AWARDS, GUEST INTRODUCTIONS, AND ANNOUNCEMENTS**

Mayor Smith presented Mayor Steve Berman a plaque in honor of his service to the Board of Directors over the past eight years. He said Mayor Berman has been a “great asset and advocate for the Airport” and that he is grateful for the service, support, and commitment Mayor Berman has provided.

## **COMMENTS FROM THE PUBLIC**

Mr. Richard Tracy addressed the Board about the future of public transportation. He said he looks forward to light rail being like the BART system. He hopes to see the light rail system reach the Fiesta Mall and Gilbert, and out to Phoenix-Mesa Gateway Airport so that passengers can travel from Phoenix to Gateway. Mr. Tracy asked everyone to support public transportation.

## **PROGRESS REPORTS**

- ASU Polytechnic – Jean Humphries reported and Arizona State University graduated 9,264 students; 576 of these were from the Polytechnic campus. She said ASU is on track with recruitment for the fall. Ms. Humphries noted that construction on the new Backus Mall continues. Dr. Backus retired in 2004, and the community raised enough money to build the mall. Other projects include extending Utah Avenue to the east loop.
- Chandler-Gilbert Community College (CGCC) – no report

## **EXECUTIVE DIRECTOR’S REPORT - Review of Monthly Staff Reports – Updates on: Construction ♦ Commercial Service ♦ Finance ♦ Economic Stimulus Program - Lynn Kusy, Executive Director**

Mr. Kusy announced that Shirley Colvin Downs, Administrative Secretary in the Development department, is retiring this month, and he recognized Deputy Director Casey Denny for attaining the designations of Certified Member and Certified Airport Executive, as well as being elected vice president of Arizona Airports Association. Mr. Kusy’s monthly report included the following:

- Gateway has been accepted into the Military Airport Program and has tentatively been allocated \$1.3 million for the terminal project.
- Gateway’s 15-year anniversary celebration followed last month’s Board meeting. Mayor Smith talked about the vision for the next 20 years and former Board Chair Mark Schnepf reviewed some of our history.
- Boeing gave us the word that they will move their FA-18 structural repair facility to Florida to co-locate it with other FA-18 work there. We will lose about 30 employees. This facility generated no aircraft operations, fuel sales, nor other revenue (beyond building rent.)
- We delivered over 1 million gallons of fuel in March and 1 million gallons in April. This marks the first (and second) time in our history that we topped 1 million gallons. Allegiant Air accounts for about 2/3 of our fuel deliveries.
- March gross margin was \$8,000 over budget. Our year-to-date operating loss is \$200,000 better than budget through the end of March.
- We have been selected to receive new Explosive Detection System equipment as part of the Federal stimulus program. The funds were allocated to DHS, which will begin installation in the next several months.
- March passenger enplanements were 32,225 and April’s were 27,021. Calendar year enplanements through April were 100,695. At level of service D, the capacity of the passenger terminal is 307,710, which we will probably exceed in 2009.

- All five member governments have approved the Airport Authority name change, so beginning July 1, we will start using the name Phoenix-Mesa Gateway Airport Authority.

**PRESENTATION:** Terminal Expansion

Mr. Kusy introduced DWL architect Sandra Kukla, President Steve Rao, and Michael Braun -- the design team for the west terminal expansion project.

Ms. Kukla provided a brief overview of the design for the west terminal, which will be completed in four phases. She said expansion will generally occur to the north, but we can expand to the south if necessary.

**Phase 1** – Phase 1 will include two additional gates and will expand capacity to 450,000 enplanements. The new building will consist of 25,000 square feet and the courtyard will be expanded and enhanced between the three buildings. The expansion will be a single story, masonry building with canopies on the arrival curb. The goal is to tie the new building to the old building by using similar materials and canopies.

**Phase 2** – Will be the addition of a 32,000-square-foot building to the north of Phase 1. This building will become the terminal core and will accommodate 600,000 enplanements with eight gates. The building's large curved roof will be a focal point.

Mayor Smith asked about the concept of using baggage pavilions. Ms. Kukla explained that it would be a “quick concept using less space.” She noted there would be one baggage claim unit inside for inclement weather. Casey Denny said staff was looking at costs, and this would reduce square footage and increase flexibility. He stressed that staff is not committed to use baggage pavilions in first phase, but can determine if they are feasible in Phase 2.

Mayor Smith expressed concern about the distance passengers must walk from the terminal to the aircraft. Ms. Kukla responded that the walk would be about 450 feet, as compared to Sky Harbor's 750 feet from one concourse to the other concourse. Mr. Denny added that a jetway could be provided in the future. Mayor Smith suggested expanding to the south to balance the terminal and to decrease the walking distance. Mr. Denny also noted that construction is not yet funded, but staff hopes to have funding by design completion. The terminal would be open and available for winter 2010.

**CONSENT AGENDA - Consideration and Possible Approval of:**

- **Tab A - Minutes of Board Meeting** held on April 20, 2009.
- **Tab B - Resolution No. 09-10** – Authorizing a Property Lease Agreement with IWA Holdings, LLC (dba Airline Transport Professionals) for Lot 21B Located on the Airport's North General Aviation Area. The Lease Term is Twenty-five Years Commencing on June 1, 2009 and is Payable at a Monthly Rate of \$4,091.01.
- **Tab C - Resolution No. 09-16** – Approving Authorization of Service #0914 with Dibble Engineering for Limited Construction Phase Services for Taxiway Bravo Phase IV in the Amount of \$59,358.13, Subject to Receipt of Grant Award.
- **Tab D - Resolution No. 09-17** – Authorizing a Contract for Auditor Services with Cronstrom, Osuch & Co., P.C. for \$20,700 to Audit Fiscal Year 2009. The Contract Includes Four One-Year Extensions.
- **Tab E - Resolution No. 09-18** – Authorizing a Contract with USA Fire Protection, LLC for Replacement of a Fire Pump and Engine in Building 1083 at a Cost of \$40,330.

**Mayor Sanders moved to approve the Consent Agenda. Mayor Berman seconded the motion. The motion carried unanimously.**

**CONSIDERATION AND POSSIBLE APPROVAL OF RESOLUTION NO. 09-11 -**

Approving Authorization of Services No. 4 with DWL Architects for Design and Limited Construction Phase Services for the West Terminal Expansion Project at a Cost Not to Exceed \$775,895.94.

Mr. Kusy pointed out that this is a contract for final design of Phase 1, 30 percent design of Phase 2, and design for the remodel of the existing building.

**CONSIDERATION AND POSSIBLE APPROVAL OF RESOLUTION NO. 09-12 –**

Authorizing a Pre-Construction Contract with Sundt Construction, Inc. for the West Terminal Expansion and Renovation (Phase I) at a Cost of \$36,269.

**Mayor Sanders moved to approve Resolutions No. 09-11 and 09-12. Mayor Berman seconded the motion. The motion carried unanimously.**

**CONSIDERATION AND POSSIBLE APPROVAL OF RESOLUTION NO. 09-13 –**

Authorizing a One-Year Extension to the Intergovernmental Agreement between the City of Mesa and Williams Gateway Airport Authority Relating to Aircraft Rescue and Firefighting Services at a Cost of \$983,363.89.

Mr. Kusy noted that this annual agreement for firefighters includes the addition of one ARFF certified firefighter, and the Airport Authority can diminish services if airline service decreases.

**Mayor Berman moved to approve Resolution No. 09-13. Mayor Sanders seconded the motion. The motion carried unanimously.**

**CONSIDERATION AND POSSIBLE APPROVAL OF RESOLUTION NO. 09-14 -**

Authorizing a Contract with FNF Construction, Inc. for Construction of Taxiway Bravo Phase IV for a Cost Not to Exceed \$7,026,825.90, Subject to Receipt of Grant Award.

**CONSIDERATION AND POSSIBLE APPROVAL OF RESOLUTION NO. 09-15 –**

Approving Authorization of Services #20 with PB Americas for Construction Administration and Inspection Services for Taxiway Bravo Phase IV at a Cost Not to Exceed \$622,491, Subject to Receipt of Grant Award.

**Mayor Sanders moved to approve Resolutions No. 09-14 and 09-15. Mayor Berman seconded the motion. The motion carried unanimously.**

**BOARD MEMBER COMMENTS**

Mayor Sanders commented that Mayor Berman has been a great friend of the Airport and he will be missed. Mr. Kusy thanked Mayor Berman and said he has enjoyed working with him.

Mr. Kusy welcomed Joe Feeney from Hawker Beechcraft, Ken Halverson from Jetstrip and several members of Embraer's staff.

**NEXT MEETING**

Monday, June 22, 2009 – 9:00 am

**ADJOURN**

The Board adjourned the meeting at 9:46 am.



Phoenix-Mesa Gateway Airport  
Airport Administration  
5835 South Sossaman Road  
Mesa, Arizona 85212-6014  
Telephone: 480-988-7600  
FAX: 480-988-2315  
[www.phxmesagateway.org](http://www.phxmesagateway.org)

## Action Item

RESOLUTION NO. 09-19

**To:** Board of Directors  
**From:** Casey Denny, C.M., C.A.E., Deputy Director  
**Through:** Lynn F. Kusy, C.M., C.A.E., Executive Director  
**Re:** Acceptance of FAA Grant Agreement(s)  
**Date:** May 20, 2009

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**Proposed Motion:**

Approve Resolution No. 09-19 authorizing the Airport Authority to accept any Federal Aviation Administration (FAA) grant offer(s) received between July 1, 2009 and June 30, 2010.

**Narrative:**

The FAA may offer the Airport Authority a grant or multiple grants for capital improvement projects at any time during the year.

The Airport Authority requests the Board's approval allowing Airport Authority staff to prepare grant applications and submit to the FAA for capital planning and construction projects. WGAA wishes to accept any offer(s) received and agrees to accomplish the described development and comply with the terms and conditions of the grant agreement(s), including maintaining compliance with the assurances that were made as part of the project application(s).



**RESOLUTION NO. 09-19**

WHEREAS, the Williams Gateway Airport Authority (“Authority”), a joint powers airport authority, was formed pursuant to Arizona Revised Statutes § 28-8521 *et seq.* for the purpose of, among other things, redeveloping portions of the former Williams Air Force Base as a civilian airport known as the Phoenix-Mesa Gateway Airport (“Airport”); and

WHEREAS, the Federal Aviation Administration (FAA) has approved the Airport Authority’s Airport Capital Improvements Program (Fiscal Years 2009-2013) and the Airport Master Plan Update; and

WHEREAS, the Airport Authority requests the Board’s approval allowing Authority staff to prepare grant applications and submit to the FAA for capital planning and construction projects. The Authority desires to accept the Federal Aviation Administration’s (FAA) grant offer(s) and hereby agrees to accomplish the described development and comply with the terms and conditions of the grant agreement(s), including maintaining compliance with the assurances that were made as part of the project application(s);

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Williams Gateway Airport Authority as follows:

**The terms and conditions of any FAA Airport Improvement Program Project Grant Award(s), as well as any other FAA fund award(s) the FAA may make available by June 30, 2010, are hereby approved and accepted and the Executive Director or Deputy Director is authorized to execute such Grant Agreement(s).**

Passed and adopted by the Williams Gateway Airport Authority this 22nd day of June 2009.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY



**Phoenix-Mesa Gateway Airport**  
**Airport Administration**  
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## Action Item

**RESOLUTION NO. 09-20**

**To:** Board of Directors  
**From:** Casey Denny, C.M., C.A.E., Deputy Director  
**Through:** Lynn F. Kusy, C.M., C.A.E., Executive Director  
**Re:** Acceptance of ADOT Grant Agreement(s)  
**Date:** May 20, 2009

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**Proposed Motion:**

Approve Resolution No. 09-20 authorizing the Airport Authority to accept any Arizona Department of Transportation (ADOT) grant offer(s) received between July 1, 2009 and June 30, 2010 (ADOT fiscal year is July 1 through June 30).

**Narrative:**

The FAA and ADOT have received the Williams Gateway Airport Authority Airport Capital Improvements Program (fiscal years 2010-2014) and the Airport Master Plan Update. The FAA and ADOT may offer the Airport Authority a grant or multiple grants for capital improvement projects at any time during the year.

The Airport Authority wishes to accept any offer(s) received and agrees to accomplish the described development and comply with the terms and conditions of the grant agreement(s), including maintaining compliance with the assurances that were made as part of the project application(s).



PhxMesa **Gateway** Airport

**RESOLUTION NO. 09-20**

WHEREAS, the Williams Gateway Airport Authority (“Authority”), a joint powers airport authority, was formed pursuant to Arizona Revised Statutes § 28-8521 *et seq.* for the purpose of, among other things, redeveloping portions of the former Williams Air Force Base as a civilian airport known as the Phoenix-Mesa Gateway Airport (“Airport”); and

WHEREAS, the Arizona Department of Transportation (ADOT) has approved the Airport Authority’s Airport Capital Improvements Program (Fiscal Years 2009-2013) and the Airport Master Plan Update; and

WHEREAS, the Airport Authority desires to accept the Arizona Department of Transportation (ADOT) grant offer(s) and hereby agrees to accomplish the described development and comply with the terms and conditions of the grant agreement(s), including maintaining compliance with the assurances that were made as part of the project application(s);

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Williams Gateway Airport Authority as follows:

**The terms and conditions of any ADOT Airport Improvement Program Project Grant Award(s), as well as any other ADOT fund award(s) made available by June 30, 2010, are hereby approved and accepted and the Executive Director or Deputy Director is authorized to execute such Grant Agreement(s).**

Passed and adopted by the Williams Gateway Airport Authority this 22nd day of June 2009.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY

## Action Item

RESOLUTION NO. 09-21

**To:** Board of Directors  
**From:** Kevin Mentzer, Airport Operations Manager  
**Through:** Casey Denny, C.M., C.A.E., Deputy Director  
Lynn Kusy, C.M., C.A.E., Executive Director  
**Re:** Intergovernmental Agreement Amendment - Fire Vehicle and Equipment  
Maintenance Services – City of Mesa  
**Date:** May 19, 2009

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**Proposed Motion:**

Approve Resolution No. 09-21 adopting an amendment to the Intergovernmental Agreement (IGA) between the City of Mesa and Williams Gateway Airport Authority for fire vehicle and equipment maintenance services effective July 1, 2009 at a cost of approximately \$22,000.

**Narrative:**

The Williams Gateway Airport Authority (WGAA) contracts to the City of Mesa (Mesa or Mesa Fire) to provide aircraft rescue and fire fighting services. In addition, WGAA utilizes Mesa Fire's fleet services group to maintain its fire trucks and equipment. The existing agreement for maintenance services expires on June 30, 2009. Both entities have determined that it is mutually beneficial for Mesa to continue to provide maintenance services.

This amendment will update the hourly service rates, add the new 2009 Oshkosh Striker 3000 ARFF truck, and extend the term of the IGA for one year through June 30, 2010. In addition, the IGA has been updated to reflect WGAA's current organizational structure (replaces all instances of "WGAA Director of Operations and Maintenance" with "WGAA Airport Operations Manager"). WGAA will be charged based upon actual hourly work performed on its vehicles.

Arizona Revised Statutes, Sections 11-951 et seq., authorizes Mesa and WGAA to enter into intergovernmental agreements for the provision of services, or for joint or cooperative actions. The IGA may be modified by a written amendment approved by the City Council and WGAA Board of Directors pursuant to A.R.S. 11-952.

This agreement was included in the FY2010 Operating Budget and is funded to the estimated amount of \$22,000.

Attachment

**RESOLUTION NO. 09-21**

WHEREAS, the Williams Gateway Airport Authority (“Authority”), a joint powers airport authority, was formed pursuant to Arizona Revised Statutes § 28-8521 *et seq.* for the purpose of, among other things, redeveloping portions of the former Williams Air Force Base as a civilian airport known as the Phoenix-Mesa Gateway Airport (“Airport”); and

WHEREAS, the Airport Authority desires to amend an IGA with the City of Mesa;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Williams Gateway Airport Authority as follows:

**The Williams Gateway Airport Authority Board of Directors hereby approves an amendment to the Intergovernmental Agreement (IGA) between the City of Mesa and Williams Gateway Airport Authority for fire vehicle and equipment maintenance services effective July 1, 2009 at a cost of approximately \$22,000. This Resolution also authorizes the Chair or Executive Director to execute such amendment, with such insertions, deletions, and changes as may be approved by the Chair or Executive Director, necessary to carry out the purposes and intent of this Resolution.**

Passed and adopted by the Williams Gateway Airport Authority this 22nd day of June 2009.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY



*Williams Gateway Airport Authority*  
**First Amendment to the**  
**Intergovernmental Agreement Related to Fire**  
**Vehicles and Equipment Maintenance Services**

This FIRST AMENDMENT TO THE INTEGVERNMENTAL AGREEMENT RELATED TO FIRE VEHICLES AND EQUIPMENT MAINTENANCE SERVICES (“Amendment 1”) is executed to be effective as of the FIRST (1<sup>st</sup>) day of JULY 2009, by and between the **WILLIAMS GATEWAY AIRPORT AUTHORITY**, a joint powers airport authority authorized under the laws of the State of Arizona, its successors and assigns (“WGAA”), and **CITY OF MESA**, an Arizona municipal corporation (“City”). This Amendment 1 hereby amends that certain Intergovernmental Agreement between WGAA and the City dated and effective as of October 17, 2005 (the “Agreement”) with respect to the provision of services or for joint or cooperative actions.

**WITNESSETH:**

**WHEREAS**, the Parties entered into an Intergovernmental Agreement for the City of Mesa to provide fire vehicles and equipment maintenance services for aircraft rescue firefighter vehicles in support of commercial passenger service at Phoenix-Mesa Gateway Airport;

**WHEREAS**, this Agreement may be modified by a written amendment approved by the City Council and WGAA Board of Directors pursuant to A.R.S. 11-952;

**WHEREAS**, both Parties desire to amend the existing Intergovernmental Agreement to lengthen the term of the Agreement, and modify definitions, responsibilities and obligations of both Parties.

**NOW, THEREFORE**, in consideration of the foregoing and of the mutual covenants and agreements herein contained, the Parties do hereby amend the Intergovernmental Agreement, undertake, promise and agree, each for itself and its successors and assigns, as follows:

1. SECTION 1 - TERM AND TERMINATION

Subsection 1.1 Term. The term of this Agreement shall be five (5) years, commencing on July 1, 2006, and continuing until June 30, 2010, unless sooner terminated pursuant to the provisions hereof.

2. SECTION 2 – SCOPE OF WORK AND COMPENSATION, subsection 2.1(b), is amended by adding a 2009 Oshkosh Striker 3000 ARFF truck.

3. SECTION 2 – SCOPE OF WORK AND COMPENSATION, new sub-subsection (vii) as follows:
- *(vii) For the year of the term, July 1, 2009 – June 30, 2010, Williams Gateway agrees to pay a labor rate of \$61.53 per hour for maintenance and repair services performed between the hours of 6:00 am and 2:30 pm, Monday through Friday. In addition, Williams Gateway agrees to pay a labor rate of \$92.29 per hour for maintenance and repair services performed on weekends, holidays, and for services performed outside of the weekday hours stated herein.*

4. Replace all instances of “WGAA Director of Operations and Maintenance” with “WGAA Airport Operations Manager”.

5. City warrants and represents to WGAA that: (i) all necessary actions have been taken to authorize the execution of this Amendment 1 by City; (ii) the persons who have executed this Amendment 1 on behalf of the City are duly authorized to do so; and (iii) this Amendment 1 constitutes a legal, valid and binding obligation of the Parties in accordance with its terms and the terms of the Agreement.
6. In all other respects the Agreement shall remain unchanged and in full force and effect. The Agreement and this Amendment 1, shall continue to be binding upon the City and WGAA and their permitted successors and assigns.
7. All of the Recitals set forth above are incorporated into this Amendment 1 by this reference.

**IN WITNESS WHEREOF**, the Parties have entered into this Amendment 1 as of the date first set forth above.

**CITY OF MESA**  
a Municipal Corporation

**WILLIAMS GATEWAY AIRPORT AUTHORITY**  
an Arizona joint powers airport authority

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: Christopher J. Brady  
Its: City Manager

Name: Lynn F. Kusy  
Its: Executive Director

ATTEST:

\_\_\_\_\_  
City Clerk

In accordance with A.R.S. § 11-952, this Agreement has been reviewed by the undersigned attorneys who have determined that it is in proper form and within the power and authority granted under the laws of the State of Arizona to the respective public entities they represent.

\_\_\_\_\_  
Mesa City Attorney

\_\_\_\_\_  
Attorney for Williams Gateway Airport Authority

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

STATE OF ARIZONA     )  
  ) ss.  
County of Maricopa     )

On this, the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned Notary, Christopher J. Brady, the City Manager of the City of Mesa, being duly authorized to do so, executed the foregoing amendment for the purposes therein stated.

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_

STATE OF ARIZONA     )  
  ) ss.  
County of Maricopa     )

On this, the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me, the undersigned Notary, Lynn F. Kusy, the Executive Director of Williams Gateway Airport Authority, being duly authorized to do so, executed the foregoing amendment for the purposes therein stated.

\_\_\_\_\_  
Notary Public

My Commission Expires:

\_\_\_\_\_



Phoenix-Mesa Gateway Airport  
Airport Administration  
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[www.phxmesagateway.org](http://www.phxmesagateway.org)

## Action Item

RESOLUTION NO. 09-22

**To:** Board of Directors  
**From:** Bill Mitchell, Maintenance and Technology Manager  
**Through:** Casey Denny, C.M., C.A.E., Deputy Director  
**Re:** Airport Landscape Maintenance – Mariposa Landscape Arizona Inc.  
**Date:** June 22, 2009

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**Proposed Motion:**

Approve Resolution No. 09-22 authorizing a one-year landscape maintenance contract with Mariposa Landscape Arizona Inc. commencing July 1, 2009 in the amount of \$106,993.

**Narrative:**

Each year, landscape maintenance is required to maintain shrubbery and trees, and remove debris and trash from the median and both sides of Sossaman Road. This contract covers 38 acres as depicted on the attached map.

Williams Gateway Airport Authority is a member of the Strategic Alliance for Volume Expenditures (S.A.V.E.). Membership in S.A.V.E. allows Airport staff to access various Arizona municipal and school district contracts. Mariposa Landscape Arizona, Inc. has a contract with the City of Chandler to provide similar services under ST9-988-2726. WGAA desires to utilize this contract and associated unit prices for our landscape services along Sossaman Road.

This contract is budgeted and funded in the FY09 Maintenance and Technology budget as Contract Services.

Attachment



PhxMesa **Gateway** Airport

**RESOLUTION NO. 09-22**

WHEREAS, the Williams Gateway Airport Authority ("Authority"), a joint powers airport authority, was formed pursuant to Arizona Revised Statutes § 28-8521 *et seq.* for the purpose of, among other things, redeveloping portions of the former Williams Air Force Base as a civilian airport known as the Phoenix-Mesa Gateway Airport ("Airport"); and

WHEREAS, the Airport Authority desires to enter into a landscaping contract;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Williams Gateway Airport Authority as follows:

**The Williams Gateway Airport Authority Board of Directors hereby approves a one-year contract with Mariposa Landscape Arizona Inc. commencing July 1, 2009 in the amount of \$106,993. This Resolution also authorizes the Chair or Executive Director to execute such Agreement, with such insertions, deletions, and changes as may be approved by the Chair or Executive Director, necessary to carry out the purposes and intent of this Resolution.**

Passed and adopted by the Williams Gateway Airport Authority this 22<sup>nd</sup> day of June 2009.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

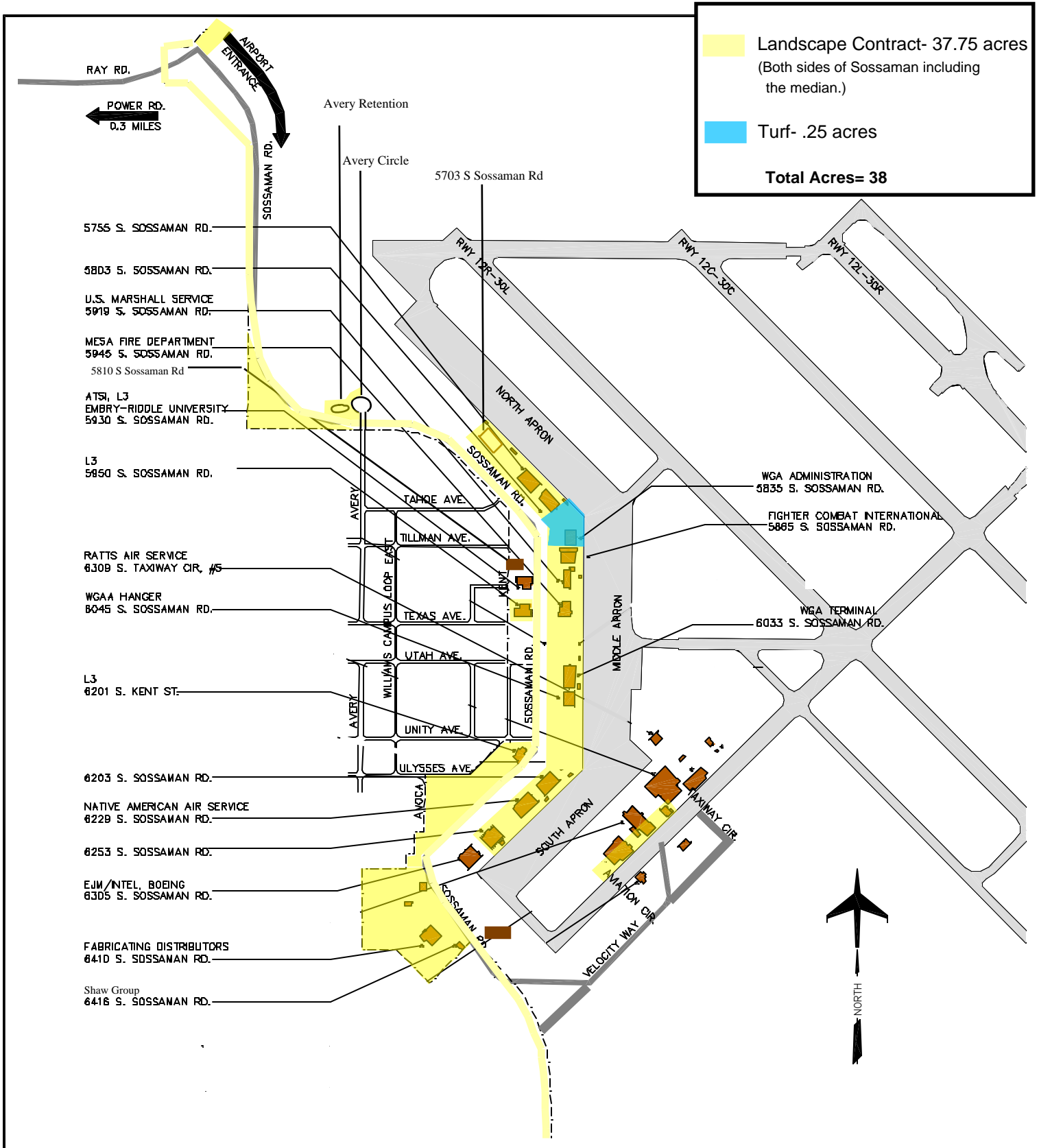
APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY

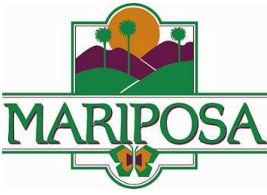


PhxMesa Gateway Airport

# WGAA TENANTS SOSSAMAN ROAD



2013-1018 04/22/13 Drawn By: MVB Approved By: CH



**M A R I P O S A**  
L A N D S C A P E A R I Z O N A I N C

6618 N. 57<sup>th</sup> Dr., Glendale, AZ 85301  
Phone: 623-463-2200 Fax: 623-463-2223

**Proposal**

May 21, 2009

**Client:** Phoenix-Mesa Gateway Airport  
**Project:** Landscape Maintenance Service  
**Site Name or Description:** Parkways, Medians, Right-of-Way & Parking Area Landscape Maintenance

**Contact** Brett Williams  
6263 South Taxiway Circle  
Mesa, AZ. 85212-6399  
480-988-7542 email [bwilliams@phxmesagateway.org](mailto:bwilliams@phxmesagateway.org)

**Description** Per your request, I calculated the work required to maintain the landscape areas in and around the Airport that you have shown me. The areas include (with approximate measurements):

Location	S.F	Cost per Mo	Qty	Annual Extended
Medians	183,375	\$ 990.23	12	\$ 11,882.70
Parkways	612,500	\$ 3,307.50	12	\$ 39,690.00
North Entry	145,136	\$ 783.73	12	\$ 9,404.81
W. Retention	183,183	\$ 989.19	12	\$ 11,870.26
S of Ulysses, W side (tanks & bldgs)	252,092	\$ 1,361.30	12	\$ 16,335.56
6203 to 6253 Sossaman	27,410	\$ 148.01	12	\$ 1,776.17
Area on w side, corner of S Arrow and middle Arrow taxiway	52,863	\$ 285.46	12	\$ 3,425.52
Parking lots E side of Texas	40,931	\$ 221.03	12	\$ 2,652.33
Landscape and parking areas N of Texas on E side	108,057	\$ 583.51	12	\$ 7,002.09
Landscape and parking areas N of Texas on W side	45,576	\$ 246.11	12	\$ 2,953.32
<b>Totals</b>		<b>\$ 8,916.06</b>		<b>\$ 106,992.77</b>

The above areas are to be maintained per the cooperative contract with the City of Chandler Area 4 Landscape Maintenance. Site No. 404 McQueen Road Yard (\$.0054 per S.F.) was used for comparison. Work includes trimming, weed control and landscape maintenance per specifications.

**Price** **Monthly price for above described work ..... \$8,916.06**  
Eight Thousand Nine Hundred Sixteen and 06/100s

**Terms** Per cooperative contract with the City of Chandler Area 4 Landscape Maintenance.

Respectfully submitted,

Larry Rudd – VP of Business Development  
Mariposa Landscape Arizona, Inc.  
[larry@mariposa-az.com](mailto:larry@mariposa-az.com)  
623-764-1488 cell 623-463-2223 fax

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Airport Administration  
5835 South Sossaman Road  
Mesa, Arizona 85212-6014  
Telephone: 480-988-7600  
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## Action Item

RESOLUTION NO. 09-23

**To:** Board of Directors  
**From:** Doug Drown, Director of Finance  
**Through:** Lynn F. Kusy, C.M., C.A.E., Executive Director  
**Re:** Property & Casualty Insurance Coverage – Willis of Arizona, Inc.  
**Date:** May 22, 2009

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### Proposed Motion:

Approve Resolution No. 09-23 authorizing the Airport's insurance broker, Willis of Arizona, Inc., to purchase insurance for the period July 1, 2009 to July 1, 2010 at a total cost of \$268,541, as follows:

- Property, Mobile Equipment, and Automobile coverage from Travelers Property Casualty Insurance Company
- Fuel Farm coverage from National Union Fire Insurance Company of Pittsburgh, PA (AIG)
- Airport Liability coverage from ACE Property and Casualty Company
- Crime coverage from Travelers Casualty and Surety Insurance Company
- Public Officials Liability coverage from State National Insurance Company

### Narrative:

Willis has shopped the insurance market on our behalf and submitted their recommendations for FY2010 insurance coverage to replace the existing policies which end July 1, 2009. (Our employee benefits and workers' compensation insurances are purchased on a calendar year basis and will be considered separately in December.) In addition to the bids received, several insurance companies declined to submit bids based on their inability to compete with existing coverage prices or their choice not to serve this market.

We are currently in a "hard" insurance market, with insurance rates generally up from last year. In addition, we have added several assets in the last year, most notably the terminal annex and new ARFF truck. We have also made some improvements to our coverage so premiums are up for multiple reasons.

The proposed insurance package provides generally the same levels of coverage as last year, with a few exceptions. Changes include increased coverage for loss of business income relating to the terminal, change of the fuel farm coverage from actual cash value to replacement cost, and the addition of Terrorism Risk Insurance Act (TRIA) coverage for airport liability and fuel farm. (TRIA coverage is included with the other policies.)

**Broker Fees:**

The cost of this insurance does not include commissions or broker fees. Willis is compensated under a separate flat-rate agreement at \$30,000 per year for their services relating to these coverages. (We pay Willis a separate fee for their efforts relating to employee benefits coverages.)

**Budget Considerations:**

Our FY09 budget included \$259,000 for premiums on the proposed coverages. The \$268,541 cost is \$9,541 (3.7%) more than budgeted.

	Expiring <u>Policy</u>	FY10 <u>Budget</u>	<b>Proposed</b> <b>Spending</b>	Difference from Budget
Property	\$80,388	\$85,844	<b>\$88,669</b>	\$2,825
Boiler & Machinery	8,114	9,013	<b>8,996</b>	(17)
Inland Marine	22,189	17,917	<b>23,401</b>	5,484
Fuel Farm	22,000	24,437	<b>26,007</b>	1,570
Airport Liability	46,820	52,006	<b>55,500</b>	3,494
Automobile	40,910	45,442	<b>46,572</b>	1,130
Crime	3,806	4,227	<b>3,170</b>	(1,057)
Public Officials Liability	18,108	20,114	<b>16,226</b>	(3,888)
	<u>\$242,335</u>	<u>\$259,000</u>	<b><u>\$268,541</u></b>	<u>\$9,541</u>

We make additions and deletions to coverage during the insurance year as we become aware of changes in risks (e.g., when we purchase or dispose of assets), so expiring premium amounts vary somewhat from premium amounts proposed a year ago. A discussion of each of the lines of coverage is provided in the attached exhibit.

Attachments: Exhibit A – Summary of Insurance Coverage  
Willis Insurance Proposal



PhxMesa **Gateway** Airport

**RESOLUTION NO. 09-23**

WHEREAS, the Williams Gateway Airport Authority (“Authority”), a joint powers airport authority, was formed pursuant to Arizona Revised Statutes § 28-8521 *et seq.* for the purpose of, among other things, redeveloping portions of the former Williams Air Force Base as a civilian airport known as the Phoenix-Mesa Gateway Airport (“Airport”); and

WHEREAS, the Airport Authority desires to obtain various insurance coverages;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Williams Gateway Airport Authority as follows:

**The Williams Gateway Airport Authority Board of Directors hereby authorizes the Airport’s insurance broker, Willis of Arizona, Inc., to purchase insurance for the period July 1, 2009 to July 1, 2010 at a total cost of \$268,541, as follows:**

- **Property, Mobile Equipment, and Automobile coverage from Travelers Property Casualty Insurance Company**
- **Fuel Farm coverage from National Union Fire Insurance Company of Pittsburgh, PA (AIG)**
- **Airport Liability coverage from ACE Property and Casualty Company**
- **Crime coverage from Travelers Casualty and Surety Insurance Company**
- **Public Officials Liability coverage from State National Insurance Company**

**This Resolution also authorizes the Chair or Executive Director to execute such Agreement, with such insertions, deletions, and changes as may be approved by the Chair or Executive Director, necessary to carry out the purposes and intent of this Resolution.**

Passed and adopted by the Williams Gateway Airport Authority this 22nd day of June 2009.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY

## Exhibit A

### DETAILED SUMMARY OF PROPERTY & CASUALTY INSURANCE COVERAGE

Willis of Arizona, Inc.

#### Discussion by Type of Coverage:

- **Property – Excluding Fuel Farm**

Property coverage includes buildings, the personal property inside, navigational aids, other fixed improvements, and potential losses of business income due to inability to use insured assets. Value of assets covered is higher than last year due to 1) addition of the terminal annex, and 2) increased coverage for loss of business income related to the passenger terminal. Because of the increased importance of revenues related to the terminal facilities, we are proposing a near doubling of coverage to \$11.5 million for losses of business income due to buildings becoming unusable. Total coverage: \$90.9 million, up 8%. Deductible: \$10,000. Annual premium is up 10% at \$88,669.

Recommendation: Renew coverage with Travelers

- **Boiler & Machinery**

This coverage is for catastrophic mechanical failure of large equipment items. It is attached to the Property policy. Coverage is automatically the same \$90.9 million included in the property coverage, but only large mechanical items meeting policy definitions are subject to claims under this coverage. For us, the primary insured items are backup electrical power generators. Asset values covered are up 13%. Premium is \$8,996, up \$882 (11%).

Recommendation: Renew coverage with Travelers.

- **Inland Marine (Mobile Equipment)**

This insurance covers 68 mobile equipment items. (Automobiles are insured separately.) These assets are insured at actual cash values, which are estimated by our staff annually. Coverage amounts totaling \$4.0 million are up 31% from last year, primarily due to the addition of the new ARFF truck.

The premium rate is down 0.4% but the \$23,401 premium is up 5% due to the additional items being insured.

Recommendation: Renew coverage with Travelers.

- **Property – Fuel Farm**

This coverage includes fuel tanks, related pumps and piping, and the fuel farm office building. Fuel Farm asset values are up 2% to \$2.6 million. Our annual assessment of our exposure resulted in an 8% decrease to \$797,000 in coverage for losses of business income should the fuel farm become unusable. Total coverage \$3.3 million. Coverage has been improved from actual cash value to replacement cost. Premium is \$24,155, up primarily due to a 10% rate increase.

- **Airport Liability**

Airport liability insurance covers third party losses due to bodily injury and property damage. The current policy limit with ACE Property & Casualty is \$100 million, including hangarkeepers coverage (for damage we might cause to aircraft while in our control and keeping), non-owned aircraft coverage, and bodily injury coverage. Personal injury coverage is limited to \$50 million.

Due to rule changes, domestic terrorism has been added as a covered risk under the Terrorism Risk Insurance Act (TRIA). Previously, only certified losses due to terrorism by foreigners were eligible under this coverage. City of Phoenix purchases this coverage for Sky Harbor. Staff recommends purchase of the TRIA coverage at a cost of \$4,625. We have not previously purchased this coverage.

The annual premium increased by \$4,055 (9%) to \$50,875, plus the TRIA coverage discussed above.

Recommendation: Renew \$100 million in liability coverage from ACE Property & Casualty Company.

- **Automobile**

Our auto insurance includes \$1 million in liability coverage for vehicles driven on public streets. The other vehicles are covered under our Inland Marine (Mobile Equipment) coverage. The airport liability policy provides another layer of auto liability coverage for amounts from \$1 million up to \$50 million.

Comprehensive/collision coverage is maintained with \$1,000 deductibles on vehicles with model years of 2002 or later and is not purchased for vehicles older than that. Thirty-eight vehicles are covered, two more than last year. The \$46,572 annual premium is up 14% from last year's quote. This reflects a 4% lower rate. However, last year's quote should have been for 36 vehicles, but erroneously included only 32 vehicles, so the increase is actually less. Each year, the insurance company audits our vehicle records and they adjust the premiums accordingly, based on our actual vehicles. Travelers was the only carrier to provide competitive quotes for this coverage.

Recommendation: Renew auto coverage with Travelers.

- **Crime**

This policy provides \$1 million in coverage for losses of money, securities and any other property when caused by dishonest acts committed by employees acting alone or in collusion with others. Deductible: \$25,000. The annual premium of \$3,170 is \$636 lower than last year.

Recommendation: Renew coverage with Travelers.

- **Public Officials Liability**

This policy provides liability coverage against wrongful acts, including fiduciary responsibilities, of directors, officers and employees, and employment practices. Policy limit is \$1 million, with a \$25,000 deductible. For the Employment Practices portion of this coverage, the deductible increased to \$25,000 from \$10,000 last year. Annual premium is \$16,226, a 10% decrease from last year.

Only one carrier submitted a bid on this coverage. Seven others declined to quote. Willis recommended that we accept the bid from State National, our existing carrier.

Recommendation: Purchase coverage from State National at \$1 million level.

- **Environmental**

We have never purchased environmental insurance. In 2007, I did an analysis of the airport risks and insurance costs related to environmental insurance. The conclusion was that the costs to purchase this coverage exceed the risks. Most local municipalities apparently agreed, as they did not purchase this coverage either, even for underground fuel tanks.

Recommendation: Do not purchase environmental insurance.

## Action Item

**RESOLUTION NO. 09-24**

**To: Board of Directors**  
**From: Lynn F. Kusy, C.M., C.A.E., Executive Director**  
**Re: FY 2009-2010 Strategic Business Plan**  
**Date: June 8, 2009**

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**Proposed Motion:**

**Approve Resolution No. 09-24 adopting the Fiscal Year 2009-2010 Strategic Business Plan.**

**Narrative:**

The purpose of the Strategic Business Plan is to present a clear picture of the activities required during the planning period to fulfill the Airport Authority's mission and meet its goals. The document summarizes the short-term and long-term vision for the Airport, identifies business factors that may affect the Airport, and sets forth a strategy and specific tasks necessary to address each goal.

The goals for 2009-2010 are:

1. Actively Encourage Those Things That Benefit the Airport
2. Increase Revenue, Spend Wisely, and Reduce the Operating Deficit
3. Expand Commercial Passenger Service
4. Establish Cargo Service
5. Generate Private Investment, Job Growth, and Economic Activity
6. Improve and Expand Facilities and Services for General Aviation
7. Begin Planning for the Construction and Financing of the East Side Terminal and Related Development

Each department develops an annual work program based on the Strategic Business Plan and the budget, which was adopted by the Board of Directors in April 2009.

Attachment: *FY2009-10 Strategic Business Plan*

**RESOLUTION NO. 09-24**

WHEREAS, the Williams Gateway Airport Authority (“Authority”), a joint powers airport authority, was formed pursuant to Arizona Revised Statutes § 28-8521 *et seq.* for the purpose of, among other things, redeveloping portions of the former Williams Air Force Base as a civilian airport known as the Phoenix-Mesa Gateway Airport (“Airport”); and

WHEREAS, the Airport Authority desires to adopt the Strategic Business Plan;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Williams Gateway Airport Authority as follows:

**The Williams Gateway Airport Authority Board of Directors hereby adopts the Fiscal Year 2009-2010 Strategic Business Plan.**

Passed and adopted by the Williams Gateway Airport Authority this 22nd day of June 2009.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY



PhxMesa **Gateway** Airport

# Strategic Business Plan

Fiscal Year 2009 - 2010

June 22, 2009

***DRAFT***

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## **PURPOSE**

The purpose of the Phoenix-Mesa Gateway Airport Authority Strategic Business Plan is to develop a clear picture of the activities required during the planning period to fulfill our mission and meet our goals. This plan summarizes the short-term and long-term vision of the Airport Authority, identifies business factors that may affect the Airport, and identifies goals and strategies for achieving our mission.

## **MISSION STATEMENT**

It is our mission to maintain and operate Phoenix-Mesa Gateway Airport safely and efficiently, while providing exceptional service to the public, our tenants, and our customers.

## **“SPIRIT” VALUES**

- **SAFETY**  
We value and preserve life and the environment.
- **PRIDE**  
We work with passion to instill real quality in everything we do.
- **INNOVATION**  
We embrace each day’s challenges as opportunities with an open mind, a spirit of creativity, and resourcefulness.
- **RESPONSIBILITY**  
We are accountable for our words and actions, large and small.
- **INTEGRITY**  
We act in good faith and treat others with respect, honesty, and sincerity.
- **TALK**  
We take the time to communicate and talk things through.

## **GATEWAY TODAY**

Phoenix-Mesa Gateway Airport (Gateway) comprises approximately 3,000 acres and includes three long runways, an instrument landing system, a Foreign Trade Zone, U.S. Customs Service, an air traffic control tower operating from 6:00 am to 9:00 pm, 485,838 square feet of Airport Authority-owned buildings, 550,779 square feet of privately developed buildings, and 1,400 employees in 40 companies located on the Airport. Those companies include three flight schools, two medical flight services, Cessna, Embraer, Hawker Beechcraft, the U.S. Customs and Border Protection interdiction unit, the U.S. Marshals Service, Immigration and Customs Enforcement, AeroDynamics, Inc. shuttle service supporting Intel, and Allegiant Air commercial passenger service. In fiscal year 2008, the Airport handled 264,085 aircraft operations, delivered 8.3 million gallons of aviation fuel, and served 236,381 passengers.

## **SHORT-TERM VISION**

The Airport Master Plan forecast for the short term (2012) envisions 700,000 passengers, 10,000 tons of enplaned cargo, and 200 based aircraft at Phoenix-Mesa Gateway Airport. Total annual aircraft operations are expected to reach 357,000, including 9,851 night time operations, 12,500 military operations, and 9,449 commercial air carrier operations. In terms of operations, general aviation will continue to be the dominant activity, with about 80 percent of total operations. The airfield will have reached 67 percent of its capacity. Average delay will be about 36 seconds per aircraft operation.

In order to keep up with this demand, the Airport Authority will need to add about 80,000 square feet to the passenger terminal, creating a facility of 113,530 square feet, with 24 ticket counter positions, six gates, and 18,053 square feet of space for food, beverage, and concession retailers. An additional 100,000 gallons of jet fuel storage will be required, as will another 33,000 gallons of aviation fuel storage.

To keep the airfield in good operating condition, several taxiway segments will need to be replaced or repaired. In addition, several runway areas will need to be strengthened or repaired. Major airfield construction projects to be completed in the short term include completion of Taxiway B and Taxiway L, as well as improvements to all or a part of Taxiways P, V, K, A, and N, and Runways 12R/30L and 12C/30C.

In the short term, it will be necessary to prepare for the construction of the east terminal. By 2011, Mesa will have constructed Hawes Road south from the Loop 202 Santan Freeway to a point near the north property line of the Airport. The City will also have constructed Ray Road from Sossaman Road to Ellsworth Road. These two projects, along with planned sewer and water extensions, will open the east terminal site. As the west terminal begins to reach capacity, forecast to be in the intermediate term (2015 to

2020), the planning and engineering for the east terminal must be in place, including the following projects:

- East side terminal area master plan
- East side master drainage plan
- East side infrastructure/utility/road plan
- East side environmental impact study
- East terminal building design
- Relocate power line floodway
- Relocate Airport surveillance radar
- Access roadways and Airport roadways design
- East parking design
- East fuel farm and hydrant fueling system design
- East terminal apron design

Once these projects are completed, construction of the new terminal complex could begin at any time, as demand warrants and as the budget permits.

## **LONG-TERM VISION**

By the year 2029, scheduled passenger service is expected to accommodate two to five million passengers per year. Phoenix-Mesa Gateway Airport is expected to have scheduled cargo service handling over 88 million pounds of freight per year. The Airport will have business jet activity to support additional aviation centers. We expect 25 additional privately developed buildings to be constructed over the next 20 years, accommodating more than 500,000 square feet of hangar space, office space, and related facilities. The Airport will continue to serve as a major flight training center for the American Southwest, accommodating light aircraft, helicopter, commercial aircraft, and advanced aircraft flight training.

By 2029, Gateway will have become an internationally recognized aerospace center. It will be well established as a commercial passenger service airport in the Phoenix-Mesa metropolitan area, providing an attractive alternative to Phoenix Sky Harbor International Airport. Flight operations will exceed 535,000 per year. Fueling at the Airport will exceed 45 million gallons per year. The Airport will support multiple aircraft maintenance and modification facilities.

Land around the Airport will have developed as aviation support, corporate offices, and manufacturing, attracted by the skilled workforce and the transportation opportunities of the area. Along with these will come restaurants; conference, executive, and resort hotels; as well as retail and commercial development. The Loop 202 Santan Freeway and the 802 Gateway Freeway will provide passengers, air freight

companies, and businesses with easy access to the Airport from all parts of the Phoenix-Mesa metropolitan area.

The Airport Authority will be an active participant in the Arizona Aerospace Institute and will remain closely involved in the development of the former General Motors Proving Ground and other major land development projects that may be business generators for the Airport. Assuring compatible and supportive land use near the Airport will continue to be the Airport's highest priority.

Improvements on the Airport will include a new passenger terminal east of the runways, a general aviation/corporate center on the west side, and a new air traffic control tower. Quality of service will continue to be key to maintaining and expanding the reputation of the Airport as a world-class operation.

## **BUSINESS FACTOR ANALYSIS**

Phoenix-Mesa Gateway Airport continues to enhance its national reputation as a leader in military base reuse. Due to this success, the community has hosted several national and regional conferences focusing on base reuse. This reputation positions us favorably with potential tenants and the aviation community. It also raises the awareness of grantor agencies.

The improvements to the Airport have been significant over the last several years. The center runway has been resurfaced with new asphalt and its concrete sections have been repaired. The outside runway has been reconstructed with a 15-inch concrete overlay. The third phase of Taxiway Bravo has been completed and we expect the final phase to begin construction this year. Our fueling service, Gateway Aviation Services, is generating significant positive cash flow and has raised our level of service to the flying public, resulting in repeat business. Sixteen new buildings have been completed by private investors and two additional buildings are under construction. The initial phase of our passenger terminal expansion has been completed.

The September 11, 2001 attack on America left the aviation world in serious decline. Even though Phoenix-Mesa Gateway Airport was quickly back to normal operations, many of our prospective customers suffered such severe business losses that it took four to six years for them to begin to recover. This is especially true of the passenger and cargo airlines, which we had been courting prior to the attack. Airlines reduced capacity and eliminated some cities from their service networks.

The September 11 attacks also caused the FAA to alter their funding priorities in favor of those projects which enhanced security and safety. For Gateway, this meant a decrease in capital funding for projects to increase capacity.

Now, the decline in the national and local economies has contributed to a decrease in

business jet traffic and an increase in our building vacancy factor. This economic decline may further delay expansion of passenger and cargo service.

The Airport's emphasis should be on development of facilities to accommodate passenger service, freight handling, large aircraft maintenance, aviation industrial uses, and research and development.

## IDENTIFYING OUR STRENGTHS, WEAKNESSES, OPPORTUNITIES, AND THREATS

### Strengths

Our SPIRIT!  
Community support  
just plane easy®  
Large and growing population base  
Three long runways  
Lots of land

### Opportunities

Capacity of the airfield  
Low cost operating environment  
Room for growth of facilities

### Weaknesses

Market already has great air service  
Terminal constrains growth  
High capital investment required

### Threats

Residential encroachment  
Operating expense exceeds revenue  
Aviation security constraints  
National economic decline

## GOALS, STRATEGIES, AND WORK PROGRAM

The Airport Authority Board of Directors annually establishes the foundation of this Strategic Business Plan by adopting and prioritizing goals which guide our activities. These goals reflect vital business issues that are measures of success for the Airport.

In past years, these goals have numbered ten, but as we limit expenses in order to move toward a sustainable, self-sufficient operation, it is necessary to restructure our goals into a more compact and attainable core area of effort. Therefore, the fiscal year 2009-2010 Strategic Business Plan is comprised of only seven goals. It focuses on a positive, aggressive program of change and fiscal responsibility, while still meeting the needs of our client base and preparing for growth.

**#1 ACTIVELY ENCOURAGE THOSE THINGS THAT BENEFIT THE AIRPORT**

**Strategy:**

**It is of primary importance to the future of the Airport to encourage local, state, and federal governmental agencies, developers, and our neighbors to support those actions, public and private, that benefit the Airport. Conversely, we should argue against actions which have the potential to harm or restrict the long-term development of the Airport.**

**Tasks:**

- A. Work with local governments and developers to ensure that development projects in the Airport planning area are sensitive to noise impact, height restrictions, job creation, and Airport business generation.
- B. Work with local, state, and federal officials to protect funding sources and increase capital funding for the Airport.
- C. Demonstrate to the community the economic benefits and services available at the Airport in order to gain community support for the Airport, our tenants, and customers.
- D. Encourage FAA to publish additional approach and departure procedures for the Airport.

## #2 **INCREASE REVENUE, SPEND WISELY, AND REDUCE THE OPERATING DEFICIT**

### Strategy:

**As Airport revenues increase in coming years, we will move toward self sufficiency and financial sustainability. In fact, Airport operations may generate funds that can be transferred to the capital budget or used to support debt issued for critical capital projects. Mid-range budgeting and use of our Financial Business Plan model are important tools available to help us reach self sufficiency.**

### Tasks:

- A. Continue to request level funding from member governments at \$3,920,000 per year.
- B. Reduce member governments' support for the operating budget by \$600,000. After FY 2010, continue to reduce that support by \$500,000 per year, resulting in self sufficiency by FY 2014, on an operating basis.
- C. Reallocate the balance of member government contributions to the capital budget.
- D. Continue to refine the Financial Business Plan for use as an analytical tool to assure that the Airport is financially sustainable, and to demonstrate the impact of various future scenarios.

### **#3 EXPAND COMMERCIAL PASSENGER SERVICE**

#### **Strategy:**

Sky Harbor has partnered with us in order that Phoenix-Mesa Gateway Airport can successfully attract and accommodate commercial passenger service. We have expanded the passenger terminal to 33,705 square feet with 932 parking spaces. This is an interim solution, with the long-term solution being the construction of a new passenger terminal on the east side of the Airport as soon as demand warrants. Our strategy is to provide to the airlines a very low cost option to encourage the establishment of commercial service. The objective is to leverage the current facilities and investments as much as possible, until sufficient activity is reached to warrant the investment necessary to move to the east side.

#### **Tasks:**

- A. Continue to emphasize “just plane easy®,” low costs to the airlines, and high quality service to our customers.
- B. Expand the passenger terminal as airline growth demands.
- C. Provide clean, functional facilities that reflect the southwest desert.
- D. Continue our marketing efforts with the airlines, including Allegiant Air.

#### #4 **ESTABLISH CARGO SERVICE**

**Strategy:**

For cargo the Airport Master Plan forecasts that in the short term Phoenix-Mesa Gateway Airport should expect daily service by two feeder aircraft and one jet freighter the size of a Boeing 727. Sky Harbor officials do not intend to build additional cargo facilities; therefore, they are intent on assisting us in attracting additional cargo service to the growing metropolitan area. FedEx has qualified Gateway as an alternate airfield.

**Tasks:**

- A. Arrange for cargo handling equipment and services to be available on the Airport to support an initial single visit by cargo airlines. Leverage these single events into regular visits, and ultimately, into scheduled service.
- B. Continue to communicate with FedEx and UPS about the integrated package market growth in the East Valley.

## **#5 GENERATE PRIVATE INVESTMENT, JOB GROWTH, AND ECONOMIC ACTIVITY**

### **Strategy:**

**In order to generate new private investment, economic activity, and create jobs, it is essential that the Airport continues to provide land and buildings to accommodate new activity. The Airport Master Plan identifies areas for new aviation and non-aviation development. Construction of taxiways, streets, and utility systems to serve these sites must be funded through a variety of mechanisms in order to maintain growth.**

### **Tasks:**

- A. Use Airport funds and grants from FAA and ADOT to construct basic airport infrastructure such as runways, taxiways, lighting, navigation aids, and communications facilities.
- B. Work with the City of Mesa to improve basic utility infrastructure serving the Airport, including the 802 Freeway, regional sewer and water lines, the arterial street system, and storm water systems that serve the Airport and the surrounding area.
- C. Work with the private sector to fund sewer, water, streets, and other utilities in non-aviation development areas on the Airport.
- D. Continue to attract new public and private investment by working with existing economic development organizations and through our own marketing efforts.
- E. Support the Arizona Aerospace Institute. Explore with our tenants research and development opportunities which we might take forward to the Institute.

**#6 IMPROVE AND EXPAND FACILITIES AND SERVICES FOR GENERAL AVIATION**

**Strategy:**

At Phoenix-Mesa Gateway Airport, our general aviation activities include flight training, air ambulance, U.S. government agencies, business jets, private charters, and aircraft retrofit and repair. For planning purposes, military aircraft activities are treated as general aviation because most military activity is related to maintenance or cross-country flying similar to business jet activity or flight training.

General aviation constitutes our second largest revenue generator, including fuel sales, ramp services, and building rentals. The Airport Master Plan forecasts that general aviation will continue to constitute the dominant use of the Airport in terms of operations. We continue to improve services to general aviation in order to increase our revenues, especially with respect to the larger business jets.

**Tasks:**

- A. Increase our level of support to the business jet community by improving the General Aviation Center.
- B. Work with Cessna, Embraer, Hawker Beechcraft, and our other general aviation customers to identify ways to support and promote their business activities.

**#7 BEGIN PLANNING FOR THE CONSTRUCTION AND FINANCING OF THE EAST SIDE TERMINAL AND RELATED DEVELOPMENT**

**Strategy:**

Even though it may be seven to ten years before the west terminal is inadequate to meet the demands of commercial aviation, it is critical that we begin now to do the detailed planning for the east terminal.

**Tasks:**

- A. Complete a development plan for the east side that encourages private investment and is in harmony with private development adjacent to the Airport.
- B. Complete a street plan for the east side and assure its ability to function by using analytical tools.
- C. Complete a master storm drainage plan for the east side.
- D. Work with FAA to develop a multi-year funding plan for the terminal, aircraft ramp, taxiways, and other eligible facilities.
- E. Develop a multi-year funding plan for streets, utilities, parking, fuel storage, and other support facilities.

## Action Item

RESOLUTION NO. 09-25

**To:** Board of Directors  
**From:** Craig Herget, Business & Properties Manager  
**Through:** Lynn F. Kusy, C.M., C.A.E., Executive Director  
**Re:** Terminal Concession Lease Agreement – StarGateway, LLC  
**Date:** June 22, 2009

---

### Proposed Motion:

Approve Resolution No. 09-25 authorizing a terminal concession lease agreement with StarGateway, LLC to operate the *Just Plane Food Café* in the Airport passenger terminal annex's Concession Space #3. The agreement term is seven years, commencing July 1, 2009, and is payable monthly at the greater of the initial rental rate of \$2,916.67 or 12 percent of gross revenues.

### Narrative:

Proposals for Concession Space #3 and others in the passenger terminal were competitively advertised in February 2009. An evaluation team comprised of WGAA staff members evaluated all proposals received and selected StarGateway to operate a new, post-security area, food and beverage concession (called the *Just Plane Food Café*) in the terminal annex. StarGateway presently operates the *Arizona Highways* general merchandise and gift concession located in the annex's Concession Space #4.

### Agreement Term and Rate:

This agreement has a term of seven years and offers one mutual renewal option for three additional years.

Space rental is based upon a minimum annual guarantee formula that requires monthly payments equal to the greater of the initial rent minimum of \$2,916.67 or 12 percent of gross revenues. Annually thereafter, this rent minimum will equal the greater of the previous year's minimum or 85-percent of actual payments made.



StarGateway will invest approximately \$149,000 to create the space reflected in this rendering and commence business operations no later than November 1, 2009. If the agreement is renewed, StarGateway will invest an additional \$22,500 to refresh and update the space's appearance. A performance guarantee in the amount of \$5,833.34 is also due and payable on or before the agreement effective date of July 1, 2009.

Attachment: Terminal Concession Lease Agreement



PhxMesa **Gateway** Airport

**RESOLUTION NO. 09-25**

WHEREAS, the Williams Gateway Airport Authority (“Authority”), a joint powers airport authority, was formed pursuant to Arizona Revised Statutes § 28-8521 *et seq.* for the purpose of, among other things, redeveloping portions of the former Williams Air Force Base as a civilian airport known as the Phoenix-Mesa Gateway Airport (“Airport”); and

WHEREAS, the Airport Authority desires to enter into a terminal concession lease agreement;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Williams Gateway Airport Authority as follows:

**The Williams Gateway Airport Authority Board of Directors hereby approves a terminal concession lease agreement with StarGateway for Concession Space #3 located in the Airport passenger terminal annex. The agreement term is seven years, commencing July 1, 2009, and payable at an initial monthly rate equal to the greater of \$2,916.67 or 12 percent of gross revenues. This Resolution also authorizes the Chair or Executive Director to execute such agreement, with such insertions, deletions, and changes as may be approved by the Chair or Executive Director, necessary to carry out the purposes and intent of this Resolution.**

Passed and adopted by the Williams Gateway Airport Authority this 22<sup>nd</sup> day of June 2009.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY



**Phoenix-Mesa Gateway Airport**  
**Airport Administration**  
5835 South Sossaman Road  
Mesa, Arizona 85212-6014  
Telephone: 480-988-7600  
FAX: 480-988-2315  
[www.phxmesagateway.org](http://www.phxmesagateway.org)

## Action Item

**RESOLUTION NO. 09-26**

**To:** Board of Directors  
**From:** Casey Denny, C.M., C.A.E., Deputy Director  
**Through:** Lynn F. Kusy, C.M., C.A.E., Executive Director  
**Re:** SRP Abel Moody 230kV Transmission Project  
**Date:** June 18, 2009

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### Proposed Motion:

Approve Resolution No. 09-26 authorizing the Executive Director to File a Notice of Intent to be a “Party” with the Arizona Power Plant and Transmission Line Siting Committee related to Salt River Project’s Abel-Moody 230kV Transmission Project.

### Narrative:

SRP has been working with local communities to establish a corridor for a new 230kV power line connecting the Moody substation (located near Recker and Pecos) through Queen Creek to the Abel substation (located near the Magma railroad line and Attaway). Over the past year, SRP has evaluated several alternatives, resulting in a preferred alignment recommendation that is being forwarded to the Arizona Corporation Commission’s Line Siting Committee (see attached).

Queen Creek is actively involved in the siting process in order to preserve future development options and minimize the impact to current and planned residents. As a result, Queen Creek desires that the line be located on the northernmost alternative (Germann Road). However, this alignment has been determined to be a “presumed hazard” by the Federal Aviation Administration (FAA). In order to obtain a “no hazard” determination, Queen Creek has been working with SRP to mitigate the hazard by reducing pole heights and modifying specific individual pole locations. However, to date, the mitigation measures submitted by SRP do not appear to have resolved the hazard regarding the German Road alternative. SRP’s preferred alternative (Ryan Road) is not a hazard.

On June 12, 2009, SRP submitted its formal application and hearings have been scheduled to begin August 5. Our options during the hearing process include commenting as a member of the public or requesting to be considered an official “Party.” Being a designated Party allows the Airport more opportunity to testify and call witnesses, should that be required to object to or support a given alternative. As a formal legal process, legal counsel has determined that if the Airport Authority desires to be a designated Party, the Board should take specific action declaring such intent. In order to register as a Party, the Authority must submit notice no later than 10 days prior to the hearing.

Please note, being designated as a Party does not require that the Authority take any specific position on the alternatives proposed at this time. However, it will preserve our rights to do so during the hearing process should that be required to protect the interests of the Airport.

Attachment



PhxMesa **Gateway** Airport

**RESOLUTION NO. 09-26**

WHEREAS, the Williams Gateway Airport Authority (“Authority”), a joint powers airport authority, was formed pursuant to Arizona Revised Statutes § 28-8521 *et seq.* for the purpose of, among other things, redeveloping portions of the former Williams Air Force Base as a civilian airport known as the Phoenix-Mesa Gateway Airport (“Airport”); and

WHEREAS, the Airport Authority desires to authorize the Executive Director to file a notice of intent;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Williams Gateway Airport Authority as follows:

**The Williams Gateway Airport Authority Board of Directors hereby authorizes the Executive Director to File a Notice of Intent to be a “Party” with the Arizona Power Plant and Transmission Line Siting Committee related to Salt River Project’s Abel-Moody 230kV Transmission Project.**

Passed and adopted by the Williams Gateway Airport Authority this 22 day of June 2009.

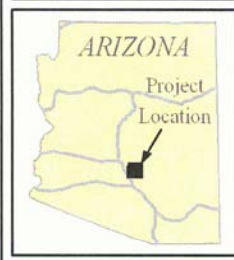
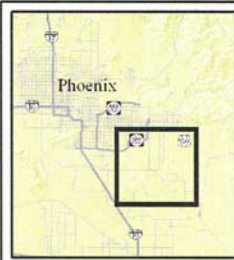
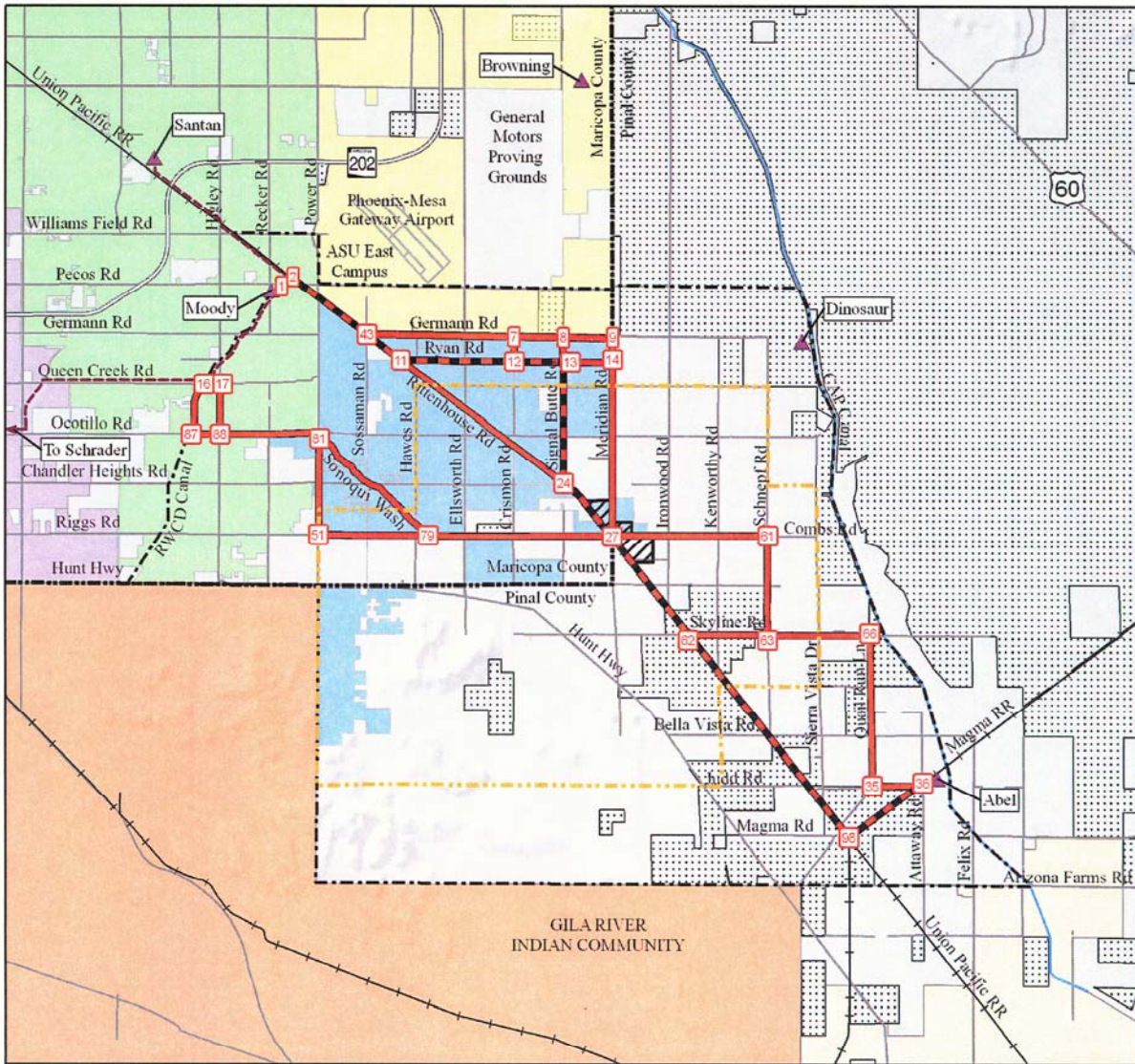
ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY



**Legend**

- Project Study Area
- RS-24 Service Area
- Alternative Alignments
- Preferred Alignment
- Substations
- Nodes
- RS-24 Potential Substation Sites
- Santan-Schrader 230kV Transmission Line
- Town of Gilbert
- City of Mesa
- Town of Queen Creek
- Town of Florence
- City of Chandler
- Unincorporated County
- Gila River Indian Community
- State Trust Land

**Project Area**  
Abel-Moody 230kV  
Transmission Project





Phoenix-Mesa Gateway Airport  
Airport Administration  
5835 South Sossaman Road  
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## Action Item

RESOLUTION NO. 09-27

To: Board of Directors  
From: Casey Denny, C.M., C.A.E., Deputy Director  
Through: Lynn F. Kusy, C.M., C.A.E., Executive Director  
Re: Airport Rates and Charges  
Date: May 16, 2009

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**Proposed Motion:**

Approve Resolution No 09-27, adopting a revised Airport Rates and Charges schedule, to be effective July 1, 2009 and superseding all previous editions.

**Narrative:**

Federal Grant Assurance #24 requires the Williams Gateway Airport Authority to “maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection.”

To assist in complying with this assurance, the Airport Authority establishes and publishes a schedule of rates and charges. The schedule is reviewed and adjusted as needed each year. The review process includes evaluating each fee, determining any applicable cost recovery factors, or comparing our fees against other airports (market analysis). From there, staff makes a subjective determination on what we would consider to be fair and reasonable given our particular circumstance. Based upon current economic conditions, staff is not recommending any significant increases this year, but several administrative clarifications.

The proposed rates and charges were shared with airport tenants and users for their review and comment. The comment period began on April 3 and concluded on May 2. No substantial concerns or comments were raised.

Staff is proposing the following changes:

1. **CBP Hours of Operation:** Modified the regular service hours of U.S. Customs and Border Protection (CBP) from 1030 -1830 hrs to 0930 – 1730 hrs. Customs services provided outside these hours are charged at an overtime rate.
2. **Airport Security Specialist:** Deleted from the schedule as this position does not exist.
3. **Passenger Facility Charge (PFC):** Added the PFC that was enacted on November 1, 2008 in accordance with federal requirements.

4. **Lavatory Waste Dump:** Clarified the “unit” associated with dump charge.
5. **Fuel Dispensing Permit, Fuel Handling Permit and Fuel Storage and Service Equipment Permit Fees:** With the addition of limited tenant fueling operations (Cessna), FAR Part 139 requires that WGAA implement an oversight and inspection program. These fees are intended to cover the cost of such oversight.
6. **Security Fees:** Security badge fees are simplified by merging the replacement fee and unreturned badge fee into a single fee of \$50.00, obsolete access control card fees are deleted; and the contractor badge fee is increased to account for the required arm band.
7. **Telephone and Internet Services:** WGAA has provided internet and telephone services to tenants at standard rates for several years, but the fees have not been published. No fee changes are proposed, but the fees are now included in the published rate schedule.
8. **Rental Car Percentage of Gross Revenue:** The fee still exists but is implemented through a rental car concessionaire agreement versus adoption of the Rates and Charges schedule. As such, it is deleted from the schedule.
9. **Terminal Parking Grace Period:** Modified from one hour to thirty minutes. Since passenger enplanements have increased, this change is intended to encourage a higher turnover of short term parking spaces, increasing the utilization of our small parking lot.

Attachment: *Airport Rates and Charges – Effective July 1, 2009*



PhxMesa **Gateway** Airport

**RESOLUTION NO. 09-27**

WHEREAS, the Williams Gateway Airport Authority (“Authority”), a joint powers airport authority, was formed pursuant to Arizona Revised Statutes § 28-8521 *et seq.* for the purpose of, among other things, redeveloping portions of the former Williams Air Force Base as a civilian airport known as the Phoenix-Mesa Gateway Airport (“Airport”); and

WHEREAS, the Airport Authority desires to adopt revised Airport Rates and Charges;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Williams Gateway Airport Authority as follows:

**The Williams Gateway Airport Authority Board of Directors hereby adopts the attached Airport Rates and Charges schedule to be effective July 1, 2009, superseding all previous rates.**

Passed and adopted by the Williams Gateway Airport Authority this 22nd day of June 2009.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY

# Airport Rates and Charges

**Effective July 1, 2009**

<b>Aircraft Landing Fee</b>	\$1.02 per 1,000 lbs. maximum gross landing weight (MGLW). FAR Part 135 and 121 operators pay a landing fee based on weight or \$5.00 minimum (whichever is greater). <i>Exemptions:</i> <ol style="list-style-type: none"> <li>1. U.S. Government owned aircraft</li> <li>2. Non-revenue and flight training aircraft up to 35,000 lbs.</li> </ol>		
<b>Aviation Fuel Flowage Fee</b>	\$0.11 per gallon – paid to WGAA by any entity or person dispensing fuel on the Airport in accordance with WGAA Aviation Fuel Storage, Dispensing & Handling Guidelines.		
<b>Aircraft Open Ramp Tie-Down Fees</b> (Space subject to availability)	<b>Category (based on MGLW)</b>	<b>Monthly Tie-Down Fee (2-month minimum)</b>	
	<5,000 lbs.	\$43.00	
	5,001 – 12,500 lbs.	\$95.00	
	12,501 – 35,000 lbs.	\$195.00	
	35,001 – 100,000 lbs.	\$307.00	
	100,001 – 255,000 lbs.	\$652.00	
	> 255,000 lbs.	\$1,283.00	
<b>U.S. Customs and Border Patrol Protection (CBP) Service User Fees</b>	<b>Category (based on MGLW)</b>	<b>Inspection Fee (per aircraft arrival)</b>	
	<5,000 lbs.	\$51.00	
	5,001 – 12,500 lbs.	\$139.00	
	12,501 – 35,000 lbs.	\$251.00	
	35,001 – 100,000 lbs.	\$362.00	
	100,001 – 255,000 lbs.	\$474.00	
	> 255,000 lbs.	\$585.00	
Regular service hours are Monday – Friday, <del>1030 – 1830</del> <b>0930 – 1730</b> hrs MST. After hours by appointment only. For after hours appointments, there will be a minimum two-hour fee of \$300.00 in addition to the standard user fee shown above. Two hours after the aircraft's scheduled arrival time, each additional 30 minutes required of the U.S. Customs Inspector will incur a \$45.00 fee above the \$300.00 minimum.			
<b>Meeting Area &amp; Room Rental</b>	<b>Location</b>	<b>Hourly Rate *</b>	<b>Daily Rate *</b>
	5803 S. Sossaman Rd. Conference Room	\$39.00	\$195.00
	5835 S. Sossaman Rd. Board Room	\$51.00	\$251.00
	5835 S. Sossaman Rd. Conference Room	\$39.00	\$195.00
	* Plus 2.25% sales tax Subject to availability. Additional fees may include long distance phone charges or equipment use. After normal business hours additional security staffing fees may be applied, if not arranged otherwise by renter.		
<b>Special Staff Assistance</b>	<b>Staff Position</b>	<b>Hourly Rate *</b>	
	Airfield Operations Specialist	\$62.00	
	Airfield Maintenance Technician	\$62.00	
	<b>Airport Security Specialist</b>	<b>\$62.00</b>	
	Facilities Maintenance / Trades Specialist	\$74.00	
* Minimum staff charge is one (1) hour during business hours, four (4) hours for after hour callbacks. Parts and materials are charged at actual cost plus 12%, plus applicable taxes.			
<b>Passenger Facility Charge (PFC)</b>	<b>\$4.50 per enplaned commercial passenger, effective 11/1/2008 through (estimated) 2/1/2013; reference Federal Register: December 1, 2008 (Vol. 73, Number 231)</b>		
<b>Public Records Requests</b>	\$.30 per page (copy). Complete documents available per current price list – contact Airport Administration.		

<b>Special Airport Equipment &amp; Services</b>	<b>Item</b> *1	<b>Hourly Rate</b>	<b>Daily Rate (8 Hrs)</b>
	High-Intensity Light Cart	\$69.00	\$255.00
	Pavement Sweeper – vacuum truck	\$119.00	Not available
	Pavement Sweeper – kick broom	\$81.00	\$566.00
	Water truck *2	\$119.00	\$816.00
	*1 Equipment rate includes fuel and a qualified operator, as appropriate; subject to availability and applicable sales taxes		
	*2 Plus water usage		
	<b>Item</b>	<b>Fee</b>	
	Lavatory Waste Dump	\$37.00 <b>per one-time truckload (up to 500 gallons)</b> ; \$370.00 monthly	
	Hazardous Materials Response	\$104.00 minimum or actual cost of airport or contracted clean up of fuel and other hazardous material spills.	
<b>Fuel Dispensing Permit</b>	<b>\$100.00 per organization, permit valid for 2 years</b>		
<b>Fuel Handling Permit (includes exam)</b>	<b>\$15.00 per individual, permit valid for 2 years</b>		
<b>Fuel Storage &amp; Service Equipment Permit</b>	<b>\$7.50 per filtration vessel, permit valid for 2 years</b>		
<b>Airport Security Fees</b>	<b>Item</b>	<b>Fee</b>	
	Security badge	\$30.00 *1	
	<b>Access control card fee</b>	<b>\$30.00</b>	
	<b>Contractor badge with arm band</b>	<b>\$30.00 \$35.00</b>	
	<b>Replacement/Unreturned badge</b>	<b>\$40.00 \$50.00</b>	
	<b>Replacement access control card</b>	<b>\$40.00</b>	
	Criminal History Record Check	\$52.00	
	<b>Unreturned badge</b>	<b>\$60.00</b>	
	Tenant facility key	\$5.00 per key	
	New lock core or change out	\$52.00	
*1 Law enforcement and emergency response personnel are exempt from badge fees, except replacement badge fees.			
<b>Telephone / Internet Services</b>	<b>Item</b>	<b>Monthly Fee</b>	
	Line Fee *	\$33.23	
	8-button digital phone with display	\$9.80	
	16-button digital phone with display	\$15.68	
	Analog phone	\$2.80	
	Voice mail	\$2.24	
	Individual internet connection per PC	\$30.00, limit 20MB shared bandwidth	
	Group internet connection up to 25 PC's	\$450.00, limit 20MB shared bandwidth	
	Dark fiber lease	\$.05 per linear foot	
	Long distance:	\$.05/minute for interstate calls; \$.05/minute for intrastate calls	
* All assigned numbers will have a Line Fee; this cost covers incoming and outgoing trunks, switch gear associated with the number, maintenance fees, tariffs and taxes.			
<b>Fire Suppression Services</b>	\$.48 per square foot of floor space + \$250.00 set-up charge. Billed in monthly installments (15% of annual fees required as security deposit) South ramp connection fee = \$190,678.00		
<b>Airport Rental Car Fees</b>	<b>License fee = 5% of gross revenue</b> Customer Facility Charge = \$1.25 per rental day		

<b>Parking Rates</b>	Beginning April 1, 2008: <b>Overnight rate = \$5.00</b>  After revenue controls are in place: First hour free <b>First 30 minutes FREE</b> \$1.00 each additional 30 minutes Daily maximum = \$5.00 Lost Ticket Fee = \$35.00
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**Airport Administration**  
5835 South Sossaman Road  
Mesa, Arizona 85212  
Telephone: 480-988-7600  
FAX: 480-988-2315  
[www.phxmesagateway.org](http://www.phxmesagateway.org)

## Action Item

**RESOLUTION NO. 09-28**

**To: Board of Directors**  
**From: Craig Herget, Business & Properties Manager**  
**Through: Lynn F. Kusy, C.M., C.A.E., Executive Director**  
**Re: Airport Policy Revision #4202 - Commercial Real Estate Brokers and Agents**  
**Date: June 22, 2009**

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**Proposed Motion:**

**Approve Resolution No. 09-28 authorizing adoption and implementation of revised Policy #4202, Commercial Real Estate Brokers and Agents, to establish new commission guidelines and continue allowing payments to those brokers and/or agents who facilitate new property lease agreements for WGAA-owned buildings and land.**

**Narrative:**

Policy #4202 (formerly entitled Brokerage Fees) was approved on June 1, 2002 as internal staff guidance. It authorized commission payments equal to 3 percent of base lease revenues during the first five years for ground leases, and three years for building leases. Over time, these rates have failed to entice real estate brokers and agents to help promote Airport properties because such rates were well below market norms.

The revised policy updates those rates as specified below. It also requires brokers and agents to register potential tenants with Business & Properties staff before any resulting property lease agreement will make them eligible for a commission payment, and prohibits payments for existing Airport tenants.

- For month-to-month leases: One-time payment equal to the greater of 50-percent of the first month's rent or \$500.
- For leases with terms of 12 to 60 months: Six (6) percent of the total rent to be paid during the lease term.
- For leases with terms greater than 60 months: Six (6) percent of the total rent to be paid during the first 60 months of the lease term, PLUS 3-percent of the total rent to be paid during the remaining months of the term, up to 60 additional months. The maximum term for which a commission will be paid is 10 years or 120 months.

The revised policy also requires brokers and agents to acknowledge, upon receipt of all commission payments, that if a lease is terminated due to lessee default, the receiving broker/agent must refund that portion of any commission received for the defaulted term.

Attachment: Policy #4202, Commercial Real Estate Brokers and Agents



PhxMesa **Gateway** Airport

**RESOLUTION NO. 09-28**

WHEREAS, the Williams Gateway Airport Authority (“Authority”), a joint powers airport authority, was formed pursuant to Arizona Revised Statutes § 28-8521 *et seq.* for the purpose of, among other things, redeveloping portions of the former Williams Air Force Base as a civilian airport known as the Phoenix-Mesa Gateway Airport (“Airport”); and

WHEREAS, the Airport Authority desires to implement a revised Policy #4202 regarding the use and payment of commissions to commercial real estate brokers and agents who facilitate new property lease agreements for Authority-owned buildings and land;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Williams Gateway Airport Authority as follows:

**The Williams Gateway Airport Authority Board of Directors hereby approves adoption and implementation of Policy #4202 to establish new commission guidelines and continue allowing payments to those brokers and/or agents who facilitate new property lease agreements for WGAA-owned buildings and land. This Resolution also authorizes the Chair or Executive Director to pursue any and all other related or alternative actions deemed appropriate to promote real estate revenues and development at the Airport.**

Passed and adopted by the Williams Gateway Airport Authority this 22<sup>nd</sup> day of June 2009.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY

**OPERATING POLICIES & PROCEDURES**

<b>Department:</b> Business & Properties	<b>Board Resolution #:</b> 09-28 <b>Staff #:</b> 4202	<b>Page</b> 1 of 2
<b>Subject:</b> Commercial Real Estate Brokers and Agents	<b>Effective Date:</b> July 1, 2009 Supersedes Internal Policy 4202, dated June 1, 2002	
<b>Personnel Covered:</b> Business & Properties, Marketing, Finance	<b>Authorized Approval:</b>  Lynn F. Kusy, C.M., C.A.E.	

**Policy Statement:**

The Phoenix-Mesa Gateway Airport Authority (PMGAA) recognizes that timely development of Airport real property is essential to achieving PMGAA's profitability and community enhancement goals. Commercial real estate brokers and agents possess unique and specialized skills that can positively influence that achievement. Therefore, the use of commercial real estate brokers and their agents in marketing and facilitating the conclusion of Airport property lease agreements is encouraged.

**Purpose:**

The purpose of this policy is to define eligibility for commission payments, the specific commission structure and pertinent commission payment procedures, and assign responsibilities concerning the use of commercial real estate brokers and agents during PMGAA's property marketing and leasing efforts.

**Policy Guidance & Procedures:**

Eligibility.

All commercial real estate brokers and agents shall be eligible to earn commissions for facilitating new property lease agreements affecting PMGAA buildings, facilities and developable land at the Phoenix-Mesa Gateway Airport. In earning such commissions, brokers and agents shall be expected to become familiar with Airport leasing opportunities, identify potential tenants using Airport-supplied marketing materials (available at [www.phxmesagateway.org](http://www.phxmesagateway.org)), assist PMGAA staff in showing properties to prospective tenants and help facilitate successful conclusion of a property lease agreement between such tenant(s) and PMGAA. In addition, all brokers and/or agents shall be required to register their leasing prospects with Business & Properties during or in advance of said prospect's first visit to the Airport by executing a Prospective Tenant's Consent to Registration Form (the "Form" – attached). Failure to complete such form shall be considered a breach of this policy and grounds for disqualification of a broker's or agent's eligibility to receive a commission hereunder. Similarly, commissions will only be paid if a property lease agreement with the prospect is concluded within the time period established by said Form.

Commission Structure.

The maximum period of lease term that shall be eligible for a commission payment shall be ten (10) years. No commission payments will be made for option terms, extensions, renewals or holdovers.

All commission payments earned under the provisions of this policy shall be calculated and paid within thirty- (30) days of the Rent Commencement Date, in accordance with the payment schedule below. For purposes of this policy, the "Rent Commencement Date:" shall mean the date on which actual tenant rent payments begin.

- Month-to-month leases: Commission shall be a one-time payment equal to the greater of fifty percent (50%) of the first month's rent, or \$500.00.

- Leases with terms of twelve (12) to sixty (60) months: Commission shall equal six percent (6%) of the total rent to be paid between the Rent Commencement Date and the remaining term of the lease. Said commission shall be calculated as follows: (a) rental rate in effect on the Rent Commencement Date multiplied by (b) the total months remaining in the term by (c) the rate of 6%.
- Leases with terms greater than sixty (60) months: Commission shall equal the amount defined in the preceding subparagraph  $((a) \times (b) \times (c))$ , AND an additional amount equal to three percent (3%) of total rent to be paid from the sixty-first (61<sup>st</sup>) month through the remaining term of the lease (an "Additional Commission"). Said Additional Commission shall be calculated as follows: (d) rental rate in effect on the Rent Commencement Date, multiplied by (e) the number of months in excess of sixty (60) remaining in the term, multiplied by (f) the rate of 3%.

In the event a month-to-month tenant that was originally facilitated by a broker or agent subsequently executes a new lease with PMGAA for a term of two (2) years or more, either directly with PMGAA or through the same broker/agent, and does so within twenty-four (24) months from said tenant's original Rent Commencement Date, then, such broker/agent shall be eligible to receive an additional commission on the new lease in accordance with the payment provisions defined herein above.

#### Payment Prohibitions and Refunds.

Property lease agreements, including extensions thereto, involving existing PMGAA tenants shall not be eligible for commission payments. Similarly, if a prospective tenant's initial contact with PMGAA was not the direct result of the efforts of a commercial real estate broker or agent, or said broker or agent failed to register his or her prospect as specified under all Eligibility provisions herein, any resulting property lease agreement shall not be eligible for commission payments, even if such broker or agent subsequently became involved.

Should any property lease agreement facilitated by a broker or agent be terminated due to any lessee default, said broker or agent shall be required to refund that portion of any commission received for the defaulted term. To that end, all brokers and/or agents shall be required to sign the attached Commercial Real Estate Broker and Agent Commission Agreement as an acknowledgment of this provision prior to receiving any commission payment, and such brokers and/or agents shall, upon written notice from PMGAA, refund such unearned commission proceeds within fifteen (15) days of receipt thereof.

#### **Responsibilities:**

Business & Properties Manager: Serves as the staff proponent for this policy, and updates and/or revises policy information, as required. Provides information to the Marketing Manager to ensure area real estate brokerages are kept abreast of properties available for lease at and on the Airport.

Marketing Manager: Ensures area real estate brokerages are kept abreast of properties available for lease at and on the Airport. Prepares and posts property marketing brochures in prominent locations within the Airport Administration Building and General Aviation Center, and on the Airport web site.

Finance Manager: In coordination with the Business & Properties Manager, ensures payment of commissions to commercial real estate brokers and agents as required and specified by this policy.

2 Attachments

1-Prospective Tenant's Consent to Registration)

2-Commercial Real Estate Broker and Agent Commission Agreement

## Information Item

**To:** Board of Directors  
**From:** Casey Denny, C.M., C.A.E., Deputy Director  
**Through:** Lynn Kusy, C.M., C.A.E., Executive Director  
**Re:** Notification of Emergency Procurement  
**Date:** June 8, 2009

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Pursuant to Section 2 Paragraph F of the Airport Procurement Policy, on May 27, 2009 I authorized an emergency procurement to repair failing concrete on the aircraft parking ramp. A written determination of the basis for the emergency is required to be provided to the Board at its next regular meeting.

During an authorized pavement repair project, several slabs of concrete became unstable and fractured. This concrete is located at Gate 2 at the passenger terminal, requiring that the aircraft parking position be closed. The aircraft and associated boarding activities were moved to the adjacent parking locations (positions 1, 3, and 4).

Due to the location and our limited number of aircraft boarding positions, we need to be able to return the ramp to a usable condition as soon as possible. As such, I authorized the existing on-site contractor to complete this repair for the amount of \$42,056.17. The amount was determined by extending unit prices that were previously competitively bid. By using the existing contractor on site, we also avoided a few thousand dollars of mobilization expenses as well. Work began on Tuesday, May 26 and completed on Friday, June 5. After a two-week cure period, the gate should be reopened for use by Saturday, June 20.

Subsequently, additional fractures occurred increasing the total amount of the emergency repairs to \$45,886.63.

