



**MINUTES OF THE
PHOENIX-MESA GATEWAY AIRPORT AUTHORITY**

BOARD MEETING

December 14, 2009

AIRPORT AUTHORITY BOARD MEMBERS

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

*** neither present nor represented*

GUESTS PRESENT

Brian Amarel, Hensel Phelps Construction	Kathy MacDonald, City of Mesa
Chris Brady, City of Mesa	Floyd Moore, Valle del Oro
Robert Brinton, Mesa Convention and Visitors Bureau	Richard Reese, Hensel Phelps Construction Co.
Scott Butler, City of Mesa	Scot Rigby, City of Mesa
Jeffrey Carr, Air Force Research Lab	Christopher Schmaltz, Gust Rosenfeld
Jenny DiGiro, Embraer	John Schroeder, Chandler-Gilbert Community College
Shane Dille, Town of Queen Creek	Councilmember John Sentz, Town of Gilbert
Paul Gilbert, Beus Gilbert	Peter Sterling, East Valley Partnership
Ken Halverson, KMH Holdings	Art Thomason, Arizona Republic
Dr. Keith Hjelmstad, ASU Polytechnic	Bruce Tinsley, Access & Egress
Johannes Kurz, Gateway Ambassador	Jennifer Whalley, East Valley Partnership

AIRPORT STAFF PRESENT

Casey Denny, Deputy Director
Gretchen Hawkins, Executive Assistant/Clerk to the Board of Directors
Lynn Kusy, Executive Director
Bill Mitchell, Director, Operations & Maintenance

CALL TO ORDER

The meeting was called to order by Chair Sanders at 9:02 a.m.

AWARDS, GUEST INTRODUCTIONS, AND ANNOUNCEMENTS

Mayor Sanders distributed bottles of olive oil from the Queen Creek Olive Mill to the Board members.

COMMENTS FROM THE PUBLIC

There were no comments from the public.

PROGRESS REPORTS

- ASU Polytechnic – Dr. Keith Hjelmstad reported on the grand opening of the Ottosen Air Traffic Control Simulation Laboratory which supports ASU’s air traffic control program. He noted that it was the only laboratory with radar and tower simulation together. Other activities at ASU Polytechnic:
 - Celebrated the opening of Backus Mall;
 - Aviation program was accredited this year;
 - ASU was given the Innovator of the Year award; and
 - Recently hired a Vice Provost for Enrollment Management.

- Chandler-Gilbert Community College (CGCC) – Mr. John Schroeder reported on the following activities at Chandler-Gilbert:
 - Final exams are taking place this week;
 - The College’s governing board has approved construction of Bridget Hall. Their contractor will begin work on December 22 involving the temporary closure of Tahoe Avenue; and
 - CGCC hosted visitors from China’s Aviation Authority. Mr. Schroeder said the College expects to begin teaching Chinese airline pilots this spring.

EXECUTIVE DIRECTOR’S REPORT - Review of Monthly Staff Reports and Updates on: Construction ♦ Commercial Service ♦ Finance ♦ - Lynn Kusy, Executive Director

Mr. Kusy provided highlights from the monthly staff report as follows:

- Staff met with the Airport’s Washington lobbyist, Patton Boggs, to plan for the 2010 Congressional session, FAA reauthorization, and possible changes to passenger facility charges. Last week, Congress passed and sent to the President an FAA funding bill.
- Staff has requested that our air traffic control tower hours be extended. The need for extended hours has been validated by a traffic operations count. The tower is currently open from 6am to 9pm, and we are requesting that the hours be extended from 5am to midnight. Although the FAA cannot fund the extended hours at this time, staff is working with Serco to extend hours.
- Budget: Revenues under budget \$560,000. Staff is controlling expenses to maintain a positive outcome.
- Fuel deliveries are up 873,000 gallons, an increase of 18.5 %. Allegiant Air continues to be a major contributor. Government and military fuel delivery increased in November, but we are still behind 43% in that category.
- Facility occupancy remains the same at 61%.
- Passenger terminal site work is progressing. Existing remodel will occur at the same time as new building is developed. The new facility will be open by the end of 2010.
- Taxiway B paving is complete. For the first time ever, Gateway will have a parallel taxiway.

- Passenger count for October was 41,303 – a 104% increase. November passenger count was 51,196. Staff forecasts over 63,000 passengers for the month of December. October figures included 1,000 charter passengers.

Mayor Lewis asked for clarification on the control tower hours. Mr. Kusy said we are hoping to have the tower open for 20 hours a day. He said we may get a one-hour extension right away, but FAA first needs to renegotiate their contract with Serco. Once their contract is in place, we may be able to increase hours in February.

PRESENTATION:

Mr. Mike Klein from Arizona Department of Transportation (ADOT) gave a presentation on the State Airport System Plan.

Mayor Lewis commented that Gateway was the 53rd busiest airport in the U.S. last summer. Mr. Klein noted that Gateway is one of the “extreme growth facilities.” He said that passenger growth has been phenomenal.

Mayor Smith stated that airports are for more than moving commercial passengers, but are “essential for economic development and essential services.”

CONSENT AGENDA - Consideration and Possible Approval of:

Tab A- Minutes of Board Meeting held on November 16, 2009.

Tab B- Resolution No. 09-49 – Authorizing **Willis of Arizona, Inc.** to Purchase Workers’ Compensation Insurance from USAIG/Wausau Business Insurance for Year Ending December 31, 2010 at a Cost of \$66,924.

Tab C- Resolution No. 09-50 – Authorizing a Contract with **Regional Pavement Maintenance of Arizona, Inc.** for Pavement Maintenance Services at a Cost of \$81,377.36.

Mayor Smith moved to approve the Consent Agenda. Mayor Lewis seconded the motion. The motion carried unanimously.

CONSIDERATION AND POSSIBLE APPROVAL OF

Resolution No. 09-46 – Authorizing an Intergovernmental Agreement with **City of Mesa** for Funding Contribution of \$250,000 for the Northeast Area Development Plan Study. Total Cost of Study is Not to Exceed \$350,000.

Resolution No. 09-47 - Authorizing an Agreement with **Jacobs** for Planning Consulting Services for the Northeast Area Development Plan Study at a Cost Not to Exceed \$350,000.

Mr. Kusy discussed Resolutions 09-46 and 09-47 together. He said staff planned to build a passenger terminal on the northeast side of the Airport, and needed to do some additional planning regarding streets and to determine how to link to private development off the Airport. Mesa proposed expanding the scope of the study to include a development plan along with the transportation element. This study will cost a total of \$350,000, with Mesa providing \$250,000. Jacobs will do the planning work.

Mayor Smith remarked that the development aspect should not be separate from the transportation side. He said the study was originally focused on moving people in/out of the Airport, but it needed to look at the area development potential to maximize the economic impact.

Mayor Lewis moved to approve Resolution No. 09-46. Lt. Governor Manuel seconded the motion. The motion carried unanimously.

Mayor Lewis moved to approve Resolution No. 09-47. Mayor Smith seconded the motion. The motion carried unanimously.

Resolution No. 09-51 – Approving an Exchange Agreement with **Pacific Proving LLC** Authorizing the Execution of Documents Necessary to Accept a Deed Transferring Title to Approximately 17.53 Acres of Runway Protection Zone East of Ellsworth Road and North of Pecos Road in Exchange for Vacating a 52.6 Acre Easement.

Mr. Kusy said Pacific Proving owns the south half of the former General Motors Desert Proving Grounds. The Airport Authority owns an easement on approximately 52 acres of this property, which prohibits building on the property. The area in question is more extensive than the Airport Authority needs, and only needs about 17 to 19 acres to protect the runways. Pacific Proving will deed that portion to the Airport Authority, in return, the Airport Authority will vacate the easement on the rest. A transfer of title is in return for giving up the current easement.

Mayor Smith moved to approve Resolution No. 09-51. Mayor Lewis seconded the motion. The motion carried unanimously.

Resolution No. 09-52 – Authorizing a Supplemental Agreement Amending the Existing Contract to Revise the Existing Guaranteed Maximum Price with **Sundt Construction, Inc.** for the Construction of a 25,000-Square-Foot Terminal Building and for Remodel of the Existing Terminal to \$6,700,000.

Mr. Kusy reported that staff is working on the next phase of passenger terminal development. Sundt Construction has already been approved for the site work. This Resolution will add construction of the 25,000 square foot terminal expansion. Mr. Kusy said that another expansion for 30,000-square-feet is planned for 2012 or 2013. The current contract is funded by a 95 percent grant from FAA.

Mayor Lewis moved to approve Resolution No. 09-52. Mayor Smith seconded the motion. The motion carried unanimously.

BOARD MEMBER COMMENTS

There were no comments from members of the Board.

EXECUTIVE SESSION

Lt. Governor Manuel moved to adjourn to Executive Session to discuss the Executive Director's annual evaluation. **Mayor Smith** seconded the motion and the Board went into Executive Session at 9:47 am.

RECONVENE

Lt. Governor Manuel moved to reconvene to regular session at 10:54 am. **Mayor Lewis** seconded the motion and the motion passed unanimously.

NEXT MEETING

Tuesday, January 19, 2010 – 9:00 am

ADJOURN

The meeting adjourned at 10:55 am.