

Phoenix-Mesa Gateway Airport Authority
5835 S. Sossaman Road
Mesa, Arizona 85212

BOARD of DIRECTORS' MEETING
AGENDA

Monday, September 20, 2010 • 9:00 a.m.

1. **Call to Order: Phoenix-Mesa Gateway Airport Authority** – *Councilwoman Thelda Williams, 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** – *Dr. Keith Hjelmstad, Vice President & Dean, College of Technology & Innovation*
 - 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*
6. **Presentation:** West Terminal Design – *Sandra Kukla, DWL Architects, Inc.*
7. **Consent Agenda: Consideration and Possible Approval of:**

Tab A – **Minutes** of Telephonic Board Meeting held on August 9, 2010.

Tab B – **Resolution No. 10-40** – Authorizing a Two-Year Extension of a Letter Agreement with **Gust Rosenfeld PLC** for Legal Advice and Representation in Litigation on an As-Required Basis Commencing November 1, 2010, Through October 31, 2012. Fees Will Continue to Be Based Upon Terms of Original Agreement (10 Percent off Standard Rates), the Current Fee Schedule, and the Terms of Engagement for Legal Services.

Tab C – **Resolution No. 10-41** – Authorizing a Contract with **C & W Sons Enterprises, Inc.** to Demolish the Existing Fire Station No. 215 at a Cost Not to Exceed \$69,320.

Tab D – **Resolution No. 10-46** – Authorizing a First Amendment with **L-3 Communications Corporation** to Extend Lease Term Nine Months Effective September 21, 2010 at a New Monthly Rate of \$5,372.74.

Tab E – **Resolution No. 10-47** – Authorizing Technical Revisions to the **FY11 Budget**.

Consideration and Possible Approval of:

8. **Resolution No. 10-42** – Authorizing Authorization of Services No. 11-03 with **DWL Architects** for the Design of the West Terminal Expansion Phase II in the Amount of \$898,011.84.
9. **Resolution No. 10-43** – Authorizing Authorization for Services No. 10-02 with **Sundt Construction, Inc.** for Construction Manager At Risk Preconstruction Services Associated with the Design of the West Terminal Expansion Phase II in the Amount of \$57,623.
10. **Resolution No. 10-44** – Authorizing a Contract with **Nesbitt Contracting** for Construction of the North Parking Lot, Phase I, at a Cost Not to Exceed \$3,886,767.74.

11. **Resolution No. 10-45** –Authorizing Authorization of Services No. 10-1003 with **Dibble Engineering** to Provide Inspection and Construction Administration for the North Parking Lot Construction at a Cost Not to Exceed \$252,057.65.
12. **Resolution No. 10-50** – Authorizing a Lease Agreement with **StarGateway, LLC**, for Operation of The Phoenix Retail Concession in Suite 118 of the Airport Passenger Terminal. The Lease Commences October 1, 2010 and is Six Years with One Three-Year Renewal Option. Rent is Payable Upon Occupancy or February 1, 2011, at an Initial Monthly Rate Equal to the Greater of \$2,750 or 12 Percent of Gross Revenue.
13. **Resolution No. 10-51** –Authorizing a Lease Agreement with **Phoenix Airport Food Services, Inc.**, for Operation of the Copper Plate Concessions in Suites 119 and 147 of the Airport Passenger Terminal. The Lease Commences October 1, 2010 and is Six Years with One Three-Year Renewal Option. Rent is Payable Upon Occupancy or February 1, 2011, at an Initial Monthly Rate Equal to the Greater of \$6,492 or up to 15 Percent of Gross Revenue.
14. **Board Member Comments / Announcements**
15. **Executive Session:** The Board may hold an executive session pursuant to Arizona Revised Statutes Section 38-431.03.(A)(1) for discussion regarding the Executive Director’s employment contract.
16. **Reconvene** from Executive Session to Regular Session
17. **Resolution No. 10-48** Authorizing Executive Director’s Employment Contract
18. **Next Meeting:** October 18, 2010 – 9:00 am
19. **Adjourn**

**MINUTES OF THE
PHOENIX-MESA GATEWAY AIRPORT AUTHORITY
TELEPHONIC BOARD MEETING**

Monday, August 9, 2010

AIRPORT AUTHORITY BOARD MEMBERS

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

*** present via telephone*

** not present*

GUESTS PRESENT

Art Thomason, Arizona Republic

Via Telephone:

Carl Newman, Phoenix Aviation Dept.
Chris Schmaltz, Gust Rosenfeld

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 and Maintenance

CALL TO ORDER

The meeting was called to order by Chairwoman Thelda Williams at 9:01 am.

CONSIDERATION AND POSSIBLE APPROVAL OF:

Tab A - Minutes of Board Meeting held on July 26, 2010.

Mayor Barney moved to approve the Minutes of July 26, 2010. Mayor Smith seconded the motion. The motion carried unanimously.

Tab B -Resolution No. 10-38 – Authorizing a Three-Year Lease Agreement with **Worldwide Flight Services, Inc.** for Buildings 1085 and 1086, Located at 6304 and 6262 S. Taxiway Circle. Lease Commences September 1, 2010, with Six One-Year Mutual Renewal Options, Payable at \$18,246.78 Per Month.

Airport Executive Director Lynn Kusy explained that the proposed lease with Worldwide Flight Services includes the use of two buildings on the Airport. The three-year lease includes six one-year mutual renewal options. Mr. Kusy said the first year will generate just over \$200,000 in revenue for the Airport.

Mayor Smith moved to approve Resolution No. 10-38. Mayor Lewis seconded the motion. The motion carried unanimously.

Tab C -Resolution No. 10-39 – Authorizing Lease Agreements with **Epic Aviation, LLC** for Eight Aircraft Refueling Vehicles Commencing July 1, 2010, Payable at a Cumulative Cost of \$15,735 Per Month, for a Cumulative Total Annual Cost of \$172,520.

Mr. Kusy said Epic Aviation is our fuel provider and we lease refueling vehicles from them. He said the Airport has had a contract with Epic for many years. Staff leases these vehicles in lieu of having to make a capital investment in the vehicles.

Mayor Smith moved to approve Resolution No. 10-39. Mayor Lewis seconded the motion. The motion carried unanimously.

NEXT MEETING:

Monday, September 20, 2010 – 9:00 am

ADJOURN:

The meeting adjourned at 9:04 am.



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Action Item

RESOLUTION NO. 10-40

To: Board of Directors
From: Lynn F. Kusy, C.M., C.A.E., Executive Director
Re: Legal Services – Gust Rosenfeld PLC
Date: September 1, 2010

Proposed Motion:

Approve Resolution No. 10-40 authorizing a two-year extension of a letter agreement with Gust Rosenfeld PLC to provide legal advice and represent the Airport Authority in litigation on an as-required basis on any or all matters commencing November 1, 2010, through October 31, 2012.

Narrative:

The Airport Authority requires legal services and representation in litigation on an as-required basis on matters including, but are not limited to:

- Governing Board Policies and Procedures
- Governing Board Liability
- Intergovernmental Agreements
- Real Estate Acquisition, Lease and Disposal
- Purchase and Lease Contracts
- Construction Contracts
- Personnel matters, including civil rights issues
- Review and interpretation of state and federal law and regulations

A Request for Proposals (RFP) was issued in May 2007. The RFP was mailed to 62 firms. Three firms were interviewed and Gust Rosenfeld was selected to represent the Airport Authority through October 31, 2010. Gust Rosenfeld's original agreement included an initial three years with two one-year options and staff recommends approving the two one-year options now, commencing November 1, 2010, through October 31, 2012. Fees will continue to be based upon the terms of the original agreement (10 percent off standard rates), the current fee schedule, and the Terms of Engagement for Legal Services.

Fiscal Impact:

Funding for legal representation is included in the FY2011 operating budget and is funded under Legal.

Attachment: 2010 Fee Schedule
Terms of Engagement for Legal Services



PhxMesa **Gateway** Airport

RESOLUTION NO. 10-40

WHEREAS, the Phoenix-Mesa 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 an agreement for legal services;

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

The Phoenix-Mesa Gateway Airport Authority Board of Directors hereby approves a two-year extension of a letter agreement with Gust Rosenfeld PLC to provide legal advice and represent the Airport Authority in litigation on an as-required basis on any or all matters commencing November 1, 2010, through October 31, 2012. Fees will continue to be based upon the terms of the original agreement (10 percent off standard rates), the current fee schedule, and the Terms of Engagement for Legal Services. 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 Phoenix-Mesa Gateway Airport Authority this 20th day of September 2010.

ATTEST:

CLERK

CHAIR

APPROVED AS TO FORM:

ATTORNEY



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Action Item

RESOLUTION NO. 10-41

To: Board of Directors
From: John E. Cox, C.M., Design & Construction Manager
Through: Casey Denny, C.M., C.A.E., Deputy Director
Lynn F. Kusy, C.M., C.A.E., Executive Director
Re: Existing Fire Station Demolition – C & W Sons Enterprises, Inc.
Date: September 20, 2010

Proposed Motion:

Approve Resolution No. 10-41 authorizing a contract with C & W Sons Enterprises, Inc. to demolish the existing Fire Station No. 215 at a cost not to exceed \$69,320.

Narrative:

The existing fire station, located north of the passenger terminal, was originally constructed in 1954. The facility served as the primary emergency services location for the military until the base closed in 1993. The Airport Authority and the City of Mesa have been operating the facility since October 1993. The City of Mesa recently completed construction of a new 25,000-square-foot facility in early September and have relocated their operation.

Due to the high demand for passenger services at the west terminal complex, the existing fire station site is planned to be used for rental car operations. The fire station is not recognized as a registered historic facility. However, Airport staff coordinated through the Arizona State Historic Preservation Office to provide historic documentation in memorializing the facility prior to the planned demolition. The parking lot is scheduled to be completed by the end of the calendar year.

The procurement is through a cooperative agreement with the Strategic Alliance for Volume Expenditures (SAVE), as solicited by the City of Tempe, RFP #10-009, Demolition of Commercial and Residential property, effective February 8, 2010 to February 7, 2013.

Fiscal Impact:

This contract was included in the FY11 non-grant capital budget and will be funded with non-grant funds as Project No. 594.

Attachments



RESOLUTION NO. 10-41

WHEREAS, the Phoenix-Mesa 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 contract with C & W Sons Enterprises, Inc.;

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

The Phoenix-Mesa Gateway Airport Authority Board of Directors hereby approves a contract with C & W Sons Enterprises, Inc. to demolish the existing Fire Station No. 215 at a cost not to exceed \$69,320. This Resolution also authorizes the Chair or Executive Director to execute such contract, 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 Phoenix-Mesa Gateway Airport Authority this 20th day of September 2010.

ATTEST:

CLERK

CHAIR

APPROVED AS TO FORM:

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Action Item

RESOLUTION NO. 10-46

To: Board of Directors
From: John Barry, Manager, Business Development
Through: Casey Denny, C.M., C.A.E., Deputy Director
Lynn F. Kusy, C.M., C.A.E., Executive Director
Re: First Amendment to Lease – L-3 Communications Corporation
Date: September 20, 2010

Proposed Motion:

Approve Resolution No. 10-46 authorizing a first amendment to the facility lease agreement with L-3 Communications Corporation, to extend the term of their lease approximately nine months at a new monthly rate of \$5,372.74. The effective date is September 21, 2010.

Narrative:

L-3 Communications has been leasing Building 568 at 6145 S. Kent Street since April 1, 1999. Their present lease began on December 19, 2005, and is scheduled to conclude on December 18, 2010. L-3 has requested a lease term extension through September 18, 2011.

This first amendment proposes to grant L-3's request by extending their present lease term approximately nine months through September 18, 2011, at a new monthly payment of \$5,372.74. This new payment will commence on December 19, 2010. All other lease provisions remain unchanged.

Attachment: First Amendment to Lease



PhxMesa **Gateway** Airport

RESOLUTION NO. 10-46

WHEREAS, the Phoenix-Mesa 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 a lease agreement with L-3 Communications Corp.;

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

The Phoenix-Mesa Gateway Airport Authority Board of Directors hereby approves a first amendment to the facility lease agreement with L-3 Communications Corporation, to extend the term of their lease approximately nine months at a new monthly rate of \$5,372.74. The effective date is September 21, 2010. 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 Phoenix-Mesa Gateway Airport Authority this 20th day of September 2010.

ATTEST:

CLERK

CHAIR

APPROVED AS TO FORM:

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Action Item

RESOLUTION NO. 10-47

To: Board of Directors
From: Doug Drown, Manager, Budget & Financial Planning
Through: Casey Denny C.M., C.A.E., Deputy Director
Through: Lynn F. Kusy, C.M., C.A.E., Executive Director
Re: Technical Budget Revision
Date: September 1, 2010

Proposed Motion:

Approve Resolution No. 10-47 authorizing technical revisions to the FY11 budget.

Narrative:

Since our FY11 budget was approved, we have changed two accounts in order to better reflect the FAA's reporting guidelines. The change will help us better compare our revenues with amounts reported by other airports.

The amended accounts are Lease Income Aeronautical and Lease Income Non-Aeronautical. The FAA considers all operating revenues derived from activities directly relating to operation of aircraft to be aeronautical in nature. While we had recognized revenues from leasing hangars and airline leases of terminal space as aeronautical revenues, leases of all other properties had previously been included as non-aeronautical revenues.

The attached pages show the effects of the change on the budget. These budget numbers will be reflected in our reporting for the current fiscal year ending June 2011.

Fiscal Impact:

The change increases the aeronautical revenues in our FY11 budget by \$995,019 and decreases the non-aeronautical revenues by the same amount. There is no change to the budget totals.

Attachments



PhxMesa **Gateway** Airport

RESOLUTION NO. 10-47

WHEREAS, the Phoenix-Mesa 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 make technical revisions to the FY11 budget;

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

The Phoenix-Mesa Gateway Airport Authority Board of Directors hereby authorizes technical revisions to the FY11 budget.

Passed and adopted by the Phoenix-Mesa Gateway Airport Authority this 20th day of September 2010.

ATTEST:

CLERK

CHAIR

APPROVED AS TO FORM:

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Action Item

RESOLUTION NO. 10-42

To: Board of Directors
From: John E. Cox, C.M., Design & Construction Manager
Through: Casey Denny, C.M., C.A.E., Deputy Director
Lynn F. Kusy, C.M., C.A.E., Executive Director
Re: West Terminal Expansion Phase II Design – DWL Architects
Date: September 20, 2010

Proposed Motion:

Approve Resolution No. 10-42 authorizing Authorization of Services No. 11-03 with DWL Architects for the design of the west terminal expansion Phase II in the amount of \$898,011.84.

Narrative:

The existing 24,000-square-foot terminal building was originally built in 1968 and remodeled into a passenger terminal in 2001. A 10,000-square-foot terminal annex was completed in November 2008. A 25,000-square-foot terminal expansion is under construction (opening November 2010) increasing our gate capacity from four to six, as well as adding additional space for ticketing, baggage claim, passenger screening, and concessions.

In 2007, a request for qualifications for Architectural and Planning Services was issued. DWL Architects was selected as the most qualified firm. DWL has since completed a terminal planning study and Phase I design. In addition, they have completed schematic design (30 percent) for Phase II. In accordance with the terms of our agreement, DWL worked with Airport staff to refine a scope of work for completing the west terminal Phase II design.

Based upon anticipated increases in airline service and construction budget considerations, an additional 32,000-square-foot expansion was indentified for Phase II. A partial remodel of Phase I and partial remodel of the existing terminal will allow for continued use of those spaces as well. The cost for these design services was negotiated based upon the contract fee schedule at a cost not to exceed \$898,011.84, which was verified via an independent fee estimate by another firm.

Fiscal Impact:

This project was included in the FY11 capital budget and is funded with \$898,011.84 in non-grant funds as Project No. 669. The non-grant funds may be reimbursed through an FAA grant for up to 95 percent of eligible project expenses, if the FAA issues a grant award for the design and construction phases.

Attachments



RESOLUTION NO. 10-42

WHEREAS, the Phoenix-Mesa 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 design services from DWL Architects;

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

The Phoenix-Mesa Gateway Airport Authority Board of Directors hereby approves Authorization of Services No. 11-03 with DWL Architects for the design of the west terminal expansion Phase II in the amount of \$898,011.84. 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 Phoenix-Mesa Gateway Airport Authority this 20th day of September 2010.

ATTEST:

CLERK

CHAIR

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Action Item

RESOLUTION NO. 10-43

To: Board of Directors
From: John E. Cox, C.M., Design & Construction Manager
Through: Casey Denny, C.M., C.A.E., Deputy Director
Lynn F. Kusy, C.M., C.A.E., Executive Director
Re: West Terminal Preconstruction Services – Sundt Construction, Inc.
Date: September 20, 2010

Proposed Motion:

Approve Resolution No. 10-43 authorizing Authorization for Services No. 10-02 with Sundt Construction, Inc. for construction manager at risk preconstruction services associated with the design of the west terminal expansion Phase II in the amount of \$57,623.

Narrative:

The existing 24,000-square-foot terminal building was originally built in 1968 and remodeled into a passenger terminal in 2001. A 10,000-square-foot terminal annex was completed in November 2008. The latest planning study indicates a need for an additional 85,000-square-foot facility for near-term passenger activity. However, budget constraints require that the expansion be phased over several smaller projects. A 25,000-square-foot terminal expansion is under construction (opening November 2010) that will increase our gate capacity from four to six, as well as increasing other support areas (ticketing, baggage claim, passenger screening, concessions, etc.).

In 2008, a request for qualifications for construction manager at risk services was issued. Sundt Construction, Inc. was selected as the most qualified firm. In accordance with the terms of this agreement, Sundt worked with Airport staff and DWL Architects to create a scope of work specifically for preconstruction services for the west terminal design Phase II. The cost for these services was negotiated based upon the contract fee schedule at a cost not to exceed \$57,623.

Fiscal Impact:

This project was included in the FY11 capital budget and is funded with \$57,623 in non-grant funds as Project No. 669. The non-grant funds may be reimbursed through an AA grant for up to 95 percent of eligible project expenses, if the FAA issues a grant award for the design and construction phases.

Attachments



PhxMesa **Gateway** Airport

RESOLUTION NO. 10-43

WHEREAS, the Phoenix-Mesa 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 construction manager at risk preconstruction services;

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

The Phoenix-Mesa Gateway Airport Authority Board of Directors hereby approves Authorization for Services No. 10-02 with Sundt Construction, Inc. for construction manager at risk preconstruction services associated with the design of the west terminal expansion Phase II in the amount of \$57,623. 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 Phoenix-Mesa Gateway Airport Authority this 20th day of September 2010.

ATTEST:

CLERK

CHAIR

APPROVED AS TO FORM:

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Action Item

RESOLUTION NO. 10-44

To: Board of Directors
From: John E. Cox, C.M., Design & Construction Manager
Through: Casey Denny, C.M., C.A.E., Deputy Director
 Lynn F. Kusy, C.M., C.A.E., Executive Director
Re: North Parking Lot Construction - Nesbitt Contracting
Date: September 20, 2010

Proposed Motion:

Approve Resolution No. 10-44 for a contract with Nesbitt Contracting for construction of the north economy parking lot, Phase I, at a cost not to exceed \$3,886,767.74.

Narrative:

The Airport is meeting terminal parking demand on an interim basis by utilizing a 1,550-space temporary lot located adjacent to the air traffic control tower. A more permanent solution to passenger parking is needed. A remote parking lot location on the south side of Ray Road east of Sossaman Road has been identified as the ultimate site for a 5,500-space parking facility. The first phase of the parking lot improvement will construct 1,700 spaces. Since this is a remote location, a bus operation will be utilized to shuttle passengers between this parking lot and the west terminal. The lot will incorporate parking revenue controls.

These improvements will provide the necessary overflow parking during periods of peak demand. Construction is scheduled to commence in early November 2010 and should be completed by May 2011.

Advertised bids were received on July 29, 2010, from 12 contractors.

<u>Company Name</u>	<u>Bid Amount</u>
1. Nickle Contracting *	\$3,281,158.21
2. SDB, Inc. *	\$3,480,279.85
3. Nesbitt Contracting (Lowest Qualified)	\$3,886,767.64
4. Norquay *	\$3,821,829.75
5. Ricor, Inc.	\$4,113,339.24
6. Haydon Building Corp.	\$3,986,827.18
7. DCS Contracting, Inc.	\$3,942,242.72
8. J. Banicki Construction	\$3,985,184.04
9. FNF Construction	\$4,080,350.97
10. CSW Contractors, Inc.	\$4,145,828.30
11. Markham Contracting	\$4,225,553.09
12. Hunter Contracting *	\$4,152,686.30

* Four of the 12 construction firms were deemed non-responsive according to bid requirements and were eliminated from the formal bid process.

Fiscal Impact:

This contract was included in the FY11 capital budget and will be funded with \$3,692,429.35, in FAA grant funds (95 percent), \$97,169.19 in ADOT local match funds (2.5 percent), and \$97,169.20 in local grant match funds (2.5 percent) as Project No. 487.

Attachments



PhxMesa **Gateway** Airport

RESOLUTION NO. 10-44

WHEREAS, the Phoenix-Mesa 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 contract with Nesbitt Contracting;

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

The Phoenix-Mesa Gateway Airport Authority Board of Directors hereby approves a contract with Nesbitt Contracting for construction of the north economy parking lot, Phase I, at a cost not to exceed \$3,886,767.74. This Resolution also authorizes the Chair or Executive Director to execute such contract, 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 Phoenix-Mesa Gateway Airport Authority this 20th day of September 2010.

ATTEST:

CLERK

CHAIR

APPROVED AS TO FORM:

ATTORNEY



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Action Item

RESOLUTION NO. 10-45

To: Board of Directors
From: John E. Cox, C.M., Design & Construction Manager
Through: Casey Denny, C.M., C.A.E., Deputy Director
Lynn F. Kusy, C.M., C.A.E., Executive Director
Re: North Parking Lot Construction Administration– Dibble Engineering
Date: September 20, 2010

Proposed Motion:

Approve Resolution No. 10-45 for Authorization of Services No. 10-1003 with Dibble Engineering to provide inspection and construction administration for the north parking lot construction at a cost not to exceed \$252,057.65.

Narrative:

The Airport is meeting terminal parking demand on an interim basis by utilizing a 1,550-space temporary lot located adjacent to the air traffic control tower. The permanent solution consists of constructing a new remote parking lot on the south side of Ray Road east of Sossaman Road. This site will ultimately provide for up to 5,500 parking spaces. The first phase of the parking lot improvement consists of 1,700 spaces, which is ready for construction pending separate Board action.

In support of large capital projects such as this, the Airport Authority utilizes professional construction administration services. These services are needed to ensure that the Airport Authority receives the project in accordance with the project specifications and to ensure compliance with federal and state grant criteria.

In 2009, a request for qualifications for engineering and construction administration services was issued for this project. Dibble was selected and approved by the Board in February 2010 (contract C-2010-002).

Fiscal Impact:

This contract was included in the FY11 capital budget and will be funded with \$239,454.77 in FAA grant funds (95 percent), \$6,301.44 in ADOT local match funds (2.5 percent), and \$6,301.44 in local grant match funds (2.5 percent) under Project No. 487.

Attachments



RESOLUTION NO. 10-45

WHEREAS, the Phoenix-Mesa 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 inspection and construction administration from Dibble Engineering;

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

The Phoenix-Mesa Gateway Airport Authority Board of Directors hereby approves Authorization of Services No. 10-1003 with Dibble Engineering to provide inspection and construction administration for the north parking lot construction at a cost not to exceed \$252,057.65. 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 Phoenix-Mesa Gateway Airport Authority this 20th day of September 2010.

ATTEST:

CLERK

CHAIR

APPROVED AS TO FORM:

ATTORNEY

Action Item

RESOLUTION NO. 10-50

To: Board of Directors
From: John Barry, Manager, Business Development
Through: Casey Denny, C.M., C.A.E., Deputy Director
Through: Lynn F. Kusy, C.M., C.A.E., Executive Director
Re: Terminal Concession Lease Agreement – StarGateway, LLC
Date: September 20, 2010

Proposed Motion:

Approve Resolution No. 10-50 authorizing a terminal concession lease agreement with StarGateway, LLC, for operation of *The Phoenix* retail merchandise concession in Suite 118 of the expanded Airport passenger terminal. The agreement term is six years with one three-year renewal option. The lease commences October 1, 2010. Rent begins upon occupancy or February 1, 2011, and is payable at an initial monthly rate equal to the greater of \$2,750 or 12 percent of gross revenue.

Narrative:

Proposals for this and other concession spaces within the passenger terminal addition were competitively advertised on June 25, 2010. An evaluation team comprised of Airport staff evaluated all proposals based on criteria such as financial return, concept/theme, and experience, and selected StarGateway to operate a post-security area retail merchandise concession in Suite 118. StarGateway presently operates the *Arizona Highways* general merchandise and gift shop and the *Flightline Market* food and beverage concession located in the terminal annex.

Agreement Term and Rate:

This agreement has a term of six years and offers one renewal option for three additional years to be awarded at the sole discretion of the Executive Director.

Monthly rent is equal to the greater of an initial rent minimum of \$2,750 or 12 percent of gross revenues. Annually thereafter, the rent minimum will equal the greater of the first year minimum annual guarantee (MAG), or 85 percent of actual payments during the previous year.

StarGateway will invest approximately \$188,000 to create the space reflected in this rendering and commence business operations no later than February 1, 2011. A performance guarantee in an amount equal to two months' MAG (currently \$5,500) is due and payable on or before the agreement effective date of October 1, 2010, and must be maintained throughout the term.



Attachment – Terminal Concession Lease Agreement



RESOLUTION NO. 10-50

WHEREAS, the Phoenix-Mesa 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 concession lease agreement with StarGateway, LLC;

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

The Phoenix-Mesa Gateway Airport Authority Board of Directors hereby authorizes a terminal concession lease agreement with StarGateway, LLC, for operation of *The Phoenix* retail merchandise concession in Suite 118 of the expanded Airport passenger terminal. The agreement term is six years with one three-year renewal option. The lease commences October 1, 2010. Rent begins upon occupancy or February 1, 2011, and is payable at an initial monthly rate equal to the greater of \$2,750 or 12 percent of gross revenue. 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 Phoenix-Mesa Gateway Airport Authority this 20th day of September 2010.

ATTEST:

CLERK

CHAIR

APPROVED AS TO FORM:

| ATTORNEY

Action Item

RESOLUTION NO. 10-51

To: Board of Directors
From: John Barry, Manager, Business Development
Through: Casey Denny, C.M., C.A.E., Deputy Director
Through: Lynn F. Kusy, C.M., C.A.E., Executive Director
Re: Terminal Concession Lease Agreement – Phoenix Airport Food Services, Inc.
Date: September 20, 2010

Proposed Motion:

Approve Resolution No. 10-51 authorizing a terminal concession lease agreement with Phoenix Airport Food Services, Inc., for operation of the *COPPER PLATE – an American Grill* and *Paradise Bakery & Café* food and beverage concessions in Suites 119 and 147 of the expanded Airport passenger terminal. The agreement term is six years with one three-year renewal option. The lease commences October 1, 2010. Rent begins upon occupancy or February 1, 2011, and is payable at an initial monthly rate equal to the greater of \$6,492 or up to 15 percent of gross revenue.

Narrative:

Proposals for this and other concession spaces in the passenger terminal addition were competitively advertised on June 25, 2010. An evaluation team comprised of Airport staff evaluated all proposals based on criteria such as financial return, concept/theme, and experience, and selected Phoenix Airport Food Services to operate one new food and beverage concession in the post-security area's Suite 119, and an additional food and beverage concession within the pre-security area's Suite 147. Phoenix Airport Food presently operates three Paradise Bakery & Cafés at Phoenix Sky Harbor Airport.

Agreement Term and Rate:

This agreement has a term of six years and offers one renewal option for three additional years to be awarded at the sole discretion of the Executive Director.

Monthly rent is equal to the greater of an initial rent minimum of \$6,492 or up to 15 percent of gross revenue. Annually thereafter, the rent minimum will equal the greater of the first year minimum annual guarantee (MAG), or 85 percent of actual payments during the previous year.

Phoenix Airport Food will invest approximately \$439,800 to create both spaces reflected in these photos and commence business operations no later than February 1, 2011. A performance guarantee in an amount equal to two months' MAG (currently \$12,801.84) is due and payable on or before the agreement effective date of October 1, 2010, and must be maintained throughout the term.

Attachment – Terminal Concession Lease Agreement





RESOLUTION NO. 10-51

WHEREAS, the Phoenix-Mesa 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 concession lease agreement with Phoenix Airport Food Services, Inc.;

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

The Phoenix-Mesa Gateway Airport Authority Board of Directors hereby authorizes a terminal concession lease agreement with Phoenix Airport Food Services, Inc., for operation of the *COPPER PLATE – an American Grill* and *Paradise Bakery & Café* food and beverage concessions in Suites 119 and 147 of the expanded Airport passenger terminal. The agreement term is six years with one three-year renewal option. The lease commences October 1, 2010. Rent begins upon occupancy or February 1, 2011, and is payable at an initial monthly rate equal to the greater of \$6,492 or up to 15 percent of gross revenue. 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 Phoenix-Mesa Gateway Airport Authority this 20th day of September 2010.

ATTEST:

CLERK

CHAIR

APPROVED AS TO FORM:

ATTORNEY



Phoenix-Mesa Gateway Airport
5835 South Sossaman Road
Mesa, Arizona 85212-6014
Telephone: 480-988-7600
FAX: 480-988-2315
www.phxmesagateway.org

Action Item

RESOLUTION NO. 10-48

To: Board of Directors
From: Chris Brady, Mesa City Manager
From: Christopher Schmaltz, Gust Rosenfeld PLC
Re: Employment Contract – Executive Director
Date: September 20, 2010

Proposed Motion:

Approve Resolution No. 10-48 approving the employment contract with the Airport's Executive Director effective September 20, 2010.

Narrative:

It is appropriate for the Board of Directors to enter into an employment contract with the Executive Director, Lynn Kusy. Mr. Kusy has been serving as Executive Director since 1993, but has been without a contract for more than ten years. The proposed contract would memorialize Mr. Kusy's existing salary and fringe benefit package, which has gone unchanged for the past three years, and add a provision compensating him for all unused sick leave upon retirement. Current policy limits sick leave payment to 50 percent of unused hours upon retirement.

Fiscal Impact:

Salary and fringe benefits remain unchanged in FY 2011. The proposed contract calls for annual reviews by the Board of Directors as part of the budget process.



PhxMesa **Gateway** Airport

RESOLUTION NO. 10-48

WHEREAS, the Phoenix-Mesa 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 an employment contract with the Airport’s Executive Director;

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

The Phoenix-Mesa Gateway Airport Authority Board of Directors hereby approves the employment contract with the Airport’s Executive Director, Lynn Kusy, effective September 20, 2010, in substantially the form as attached hereto. This Resolution also authorizes the Chair to execute such contract, with such insertions, deletions, and changes as may be approved by the Chair necessary to carry out the purposes and intent of this Resolution.

Passed and adopted by the Phoenix-Mesa Gateway Airport Authority this 20th day of September 2010.

ATTEST:

CLERK

CHAIR

APPROVED AS TO FORM:

ATTORNEY