

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

BOARD MEETING

October 18, 2010

AIRPORT AUTHORITY BOARD MEMBERS

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

** Neither present nor represented*

GUESTS PRESENT

Brian Amarel, Hensel Phelps Construction	Bryan Martyn, Pinal County
Roc Arnett, East Valley Partnership	Floyd Moore, Valle del Oro
Nikki Bernstein, Himovitz Properties	LaVonne Morris, City of Phoenix
Russ Brandt, Blue Chip Land Corp.	Carl Newman, City of Phoenix
Matt Busby, City of Apache Junction	Randy Payne, City of Phoenix
Scott Butler, City of Mesa	Wayne Rockwood, RAI
Jeffrey Carr, Air Force Research Lab	Derek Rogers, Dibble Engineering
Donna Cluckey, Mesa Convention & Visitors Bureau	Christopher Schmaltz, Gust Rosenfeld
Terri Gardner, Mesa Convention & Visitors Bureau	John Schroeder, Chandler-Gilbert Community College
Michelle Gramley, Town of Gilbert	Marquis Scott, Queen Creek Chamber
Ken Halverson, Jetstrip	Phil Statt, HPI
Marty Hedlund, Sundt	Peter Sterling, East Valley Partnership
Keith Hjelmstad, ASU Polytechnic	Jeff Stoddard, Hensel Phelps
Wendy Kaserman, Town of Queen Creek	Art Thomason, Arizona Republic
Larry Kieser, Mesa Police Department	Bruce Tinsley, Access & Egress
Sandra Kukla, DWL	Kristy Vargas, Hyatt Place Gilbert
Kathy MacDonald, City of Mesa	

AIRPORT STAFF PRESENT

Casey Denny, Deputy Director
Gretchen Hawkins, Executive Assistant/Clerk to the Board of Directors
Lynn Kusy, Executive Director
Doug Lane, Line Service Specialist, Gateway Aviation Services
John Linton, Lead – Gateway Aviation Services
Bill Mitchell, Director – Operations & Maintenance

CALL TO ORDER

The meeting was called to order by Chairwoman Thelda Williams at 8:59 a.m.

AWARDS, GUEST INTRODUCTIONS, AND ANNOUNCEMENTS

- Chairwoman Williams welcomed Gilbert Councilmember John Sentz.
- Mr. Kusy announced that everyone was invited to a ceremony on November 9 from 11:30 am to 1:00 pm to celebrate the grand opening of the new terminal building.
- Mr. Kusy presented five-year service awards to John Linton – Lead, and Doug Lane - Specialist, Gateway Aviation Services.
- Mr. Kusy recognized Carmen Williams for achieving Certified Member status of the American Association of Airport Executives; Lotus Williams for earning the MVP award – Jefferson Cup from ACI; and Brian Sexton, Public Information Officer, for an honorable mention from PR News for Gateway’s Fergie & Feller Field event.

PROGRESS REPORTS

ASU Polytechnic – Dr. Keith Hjelmstad, Vice President & Dean, College of Technology & Innovation announced that enrollment figures are up 12 percent at the Polytechnic campus - - the headcount is up to 9,700 students. ASU Poly has recently launched an Innovation and Technology Collaboration and began planning for new residence halls. Work on the halls will begin in June and will open in July 2012. Dr. Hjelmstad said their engineering program just completed its first accreditation, with no complaints. Campus staff submitted a Notice of Intent for use of the Air Force Research Laboratory facilities and awaits a final decision.

Chandler-Gilbert Community College – Provost John Schroeder congratulated the City of Mesa for the Ray Road grand opening celebration. He noted that spring registration began today, and that the College now has a complete administration in place.

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

Mr. Kusy provided highlights from the September staff reports:

- Special thanks to the Airport’s Facilities Maintenance staff for remodeling the boardroom.
- Staff met with area planning directors to discuss clarifying some of the language in our Part 150 Noise Compatibility Study. We have asked the FAA to fund an update of the study in 2012.
- Noise summary report shows 11 noise calls in September. A new chart has been added to the report at Mayor Lewis’s request which reports monthly noise calls and operations for the past year.
- Staff met with Gilbert, Queen Creek, and Mesa to discuss business development coordination.
- Gateway Aviation Services delivered one million gallons of fuel in August – a 38 percent increase over last August.
- Worldwide Flight Services has moved into their building which increases our occupancy rate to 56 percent.
- Terminal expansion is on schedule for substantial completion on November 9.
- Staff met with FAA and ADOT to discuss grant projects, passenger facility charges, and our five-year capital program.
- August gross margin was up 21 percent over last year, operating expenses were up 8 percent, and fiscal year to date our operating loss shows a \$146,000 loss compared to the budgeted loss of \$231,000.
- Valley Metro bus service to the passenger terminal will commence in January.

- Staff selected conveyer equipment to be used with our Explosives Detection System. This equipment was provided at no cost by TSA.
- Wayfinding signage has been installed at the terminal and along Sossaman Road.
- August passenger count was 62,000; September count was 55,000 passengers. Staff expects as many as 13 departures a day in December.
- The Airport has exceeded one million gallons of fuel delivered per month since January.

PRESENTATIONS:

Terminal Phase I Expansion Using the Building Information Management System – *Marty Hedlund, Sr. Vice President, Sundt Construction*

Mr. Hedlund gave a presentation to the Board members on the construction activities of the terminal expansion project using a Building Information Management System software program.

Parking Overview – *Casey Denny, Deputy Director*

Mr. Denny provided data on the Airport's current and future parking needs, costs, and locations.

Following the presentation, Mayor Smith stressed the importance of minimizing confusion for our customers by using clear and direct signage. Mr. Kusy said staff intends to simplify the parking experience by installing digital signs and assigning geographical names to the parking lots.

Councilwoman Williams suggested that we implement a parking fee structure all at once, rather than making several small changes.

CONSENT AGENDA - Consideration and Possible Approval of:

- Tab A – Minutes of Board Meeting held on September 20, 2010.
- Tab B – Resolution No. 10-49 – Authorizing a Two-Year Amendment to a Memorandum of Agreement Between FAA, Phoenix, Tempe, and Phoenix-Mesa Gateway Airport Authority Effective October 20, 2010 to Allow Use of FAA Flight Track Data.
- Tab C – Resolution No. 10-52 – Authorizing a One-Year Extension to the Contract with AMPCO System Parking for Parking Lot Management and Shuttle Services Effective November 1, 2010 at a Cost of \$193,000.
- Tab D – Resolution No. 10-53 – Authorizing the Addition of a Non-Grant Capital Project No. 785 to the Adopted Capital Program Allowing Reconfiguration of Terminal Parking Lots at a Cost of Approximately \$250,000.
- Tab E – Resolution No. 10-54 – Authorizing a Contract with Scheidt & Bachmann USA, Inc. for the Purchase and Installation of Parking Revenue Control Equipment for \$121,325.42.
- Tab F – Resolution No. 10-55 – Authorizing a Contract with Empire Power Systems for Purchase and Installation of a Backup Generator in the Amount of \$27,031.
- Tab G – Resolution No. 10-56 - Authorizing an Eight-Month Contract with Care-Takers Building Maintenance for Custodial Services Effective November 1, 2010, at a Cost of \$81,236. Contract includes Four One-Year Extension Options.
- Tab H – Resolution No. 10-57 Authorizing a Second Amendment to DMKIL1, LLC Lease to Extend Construction Milestone Dates Effective November 1, 2010. Authority Retains Right to Lease to Another Entity During Extension Period.
- Tab I – Resolution No. 10-58 Authorizing a Second Amendment to Velocity Square, LLC Lease to Extend Construction Milestone Dates Effective November 1, 2010. Authority Retains Right to Lease to Another Entity During Extension Period.

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

CONSIDERATION AND POSSIBLE APPROVAL OF:

Resolution No. 10-59 – Authorizing a Five-Year Intergovernmental Agreement with the **City of Mesa** Relating to Aircraft Rescue and Firefighting Services Effective November 1, 2010 at an Annual Cost of \$965,305 in Fiscal Year 2011 and Allowing for Annual Cost Adjustments.

Mr. Kusy said this is a five -year extension to an agreement with the City of Mesa for fire fighters to staff our trucks.

Councilmember Sentz moved to approve the Resolution No. 10-59. Mayor Barney seconded the motion. The motion carried unanimously.

Resolution No. 10-60 – Authorizing Staff to Purchase One Motor Grader and One Ten-Wheel Dump Truck from Publicly Available Procurement Sources in an Amount Not to Exceed \$135,000.

Mayor Smith moved to approve Resolution No. 10-60. Councilmember Sentz seconded the motion. The motion carried unanimously.

Resolution No. 10-61 – Authorizing a Contract with **Centennial Contractors Enterprises, Inc.** for Concrete Repair Services Effective November 1, 2010, at a Cost of \$176,737.95.

Mayor Smith moved to approve Resolution No. 10-61. Mayor Barney seconded the motion. The motion carried unanimously.

Resolution No. 10-62 - Authorizing a Contract with **ACE Asphalt** to Construct a Parking Lot at the Former Fire Station No. 215 Site for an Amount Not to Exceed \$243,619.

Mr. Kusy explained a last minute cost reduction for this parking lot contract. The cost to be approved is \$221,191.79.

Councilmember Sentz moved to approve Resolution No. 10-62 at a cost of \$221,191.79. Councilwoman Williams seconded the motion. The motion carried unanimously.

Resolution No. 10-63 – Approve Authorization of Services No. 10-1004 with **Dibble Engineering** for Design of the North Parking Lot Phase II for a Total Cost Not to Exceed \$61,618.76.

Mayor Smith moved to approve Resolution No. 10-63. Mayor Barney seconded the motion. The motion carried unanimously.

Resolution No. 10-64 – Authorizing a Six-Month Lease Agreement with **Falcon Air Express, Inc.** for Building 1090 Commencing October 19, 2010 Payable at \$2,217.35 Per Month. Lease Includes Mutual Month-to-Month Renewal Options.

Councilmember Sentz moved to approve Resolution No. 10-64. Mayor Smith seconded the motion. The motion carried unanimously.

Resolution No. 10-65 – Authorizing the Airport Authority to File an Application with the **Federal Aviation Administration** to Impose and Use \$39,355,546 in Passenger Facility Charges for Various Construction Projects Subject to FAA Approval.

Mr. Kusy said staff will file a second application to FAA to impose and use a passenger facility charge (PFC) at \$4.50 per enplaned passenger. The \$39,355,546 from PFCs would be used for funding a specific list of projects. He explained that staff anticipates some of the projects on the list will be funded with FAA grants through the Military Airports Program, and that these PFC revenues would be used only for the projects on the list.

Councilmember Sentz moved to approve Resolution No. 10-65. Mayor Barney seconded the motion. The motion carried unanimously.

BOARD MEMBER COMMENTS

Councilmember Sentz commented on a successful Ray Road grand opening celebration.

NEXT MEETING

Monday, November 15, 2010 – 9:00 am

ADJOURN

The meeting adjourned at 10:03 am.