

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

**BOARD of DIRECTORS' MEETING**

**AGENDA**

**Monday, September 26, 2011 • 9:00 a.m.**

1. **Call to Order: Phoenix-Mesa Gateway Airport Authority - Mayor John Lewis, 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. Mitzji Montoya, Vice Provost & Dean, College of Technology & Innovation**
    - b) **Chandler-Gilbert Community College - John Schroeder, Provost**
    - c) **Allegiant Air – Brian Davis, Director of Airports**
  5. **Review of Monthly Staff Reports and Updates on: ♦ Construction ♦ Commercial Service ♦ Finance ♦ Compressed Work Week - Lynn Kusy, Executive Director**
  6. **Presentation: Mesa Convention and Visitors Bureau Advertising Efforts – Robert Brinton, President & CEO**
  7. **Consent Agenda: Consideration and Possible Approval of:**
    - Tab A - Minutes** of Board Meeting held on July 18, 2011.
    - Tab B - Resolution No. 11-30 FAA** - Authorizing Acceptance of FAA Grant Offer(s).
    - Tab C - Resolution No. 11-37 ADOT** - Authorizing Acceptance of ADOT Grant Offer(s).
    - Tab D - Resolution No. 11-38 DV Municipal Maintenance LLC** - Authorizing a Month-to-Month Contract for Landscape Services.
    - Tab E – Resolution No. 11-39 StarGateway, LLC** – Authorizing an Amendment to *The Phoenix* Lease Changing Monthly Payment for a Two-Year Period.
    - Tab F – Resolution No. 11-40 StarGateway, LLC** - Authorizing an Amendment to the *Flightline Market* Lease Changing Monthly Payment for a Two-Year Period.
    - Tab G – Resolution No. 11-41 StarGateway, LLC** - Authorizing an Amendment to the *Arizona Highways* Lease Changing Monthly Payment for a Two-Year Period Lease Amendment.
    - Tab H - Resolution No. 11-42 Phoenix Airport Food Services, Inc.** - Authorizing an Amendment to the *Paradise Bakery & Café* and *Copper Plate* Lease Changing Monthly Payment for a Two-Year Period Lease Amendment.
- Consideration and Possible Approval of:**
8. **Resolution No. 11-43 City of Mesa** - Authorizing Payment of Fire Suppression Connection Fees.
  9. **Resolution No. 11-44 Gothic Landscaping, Inc.** - Authorizing a Contract for Landscape Improvements to the General Aviation Center.
  10. **Resolution No. 11-45 SDB, Inc.** - Authorizing a Contract for the Purchase and Installation of a Cooling Tower for the Terminal.
  11. **Resolution No. 11-46 SDB, Inc.** - Authorizing a Contract for the Purchase and Installation of Two Digital Parking Signs.
  12. **Resolution No. 11-47 Centennial Contractors** - Authorizing a Contract for Concrete Repair Services to Runway 30L.

*continued*



**BOARD of DIRECTORS' MEETING**  
**AGENDA**

**Page 2**

13. **Resolution No. 11-48 Nesbitt Contracting Co., Inc.** - Authorizing a Contract for Construction of the Fuel Farm Expansion.
14. **Resolution No. 11-49 Dibble Engineering** - Authorizing a Contract for Fuel Farm Construction Administration, Inspection, and Testing Services.
15. **Resolution No. 11-50 Mead & Hunt, Inc.** - Authorizing a Contract Extension for Air Service Development Services.
16. **Resolution No. 11-51 Velocity Square, LLC** - Authorizing Termination of Velocity Square, LLC's Lease for Lots 108 and 109 Effective September 28, 2011.
17. **Resolution No. 11-52 Air Methods Corporation** - Authorizing a Two-Year Lease Agreement for Buildings 31 and 1362 Located at 6203 S. Sossaman Road.
18. **Board Member Comments / Announcements**
19. **Next Meeting:** Monday, October 17, 2011 – 9:00 am
20. **Adjourn**

*Terminal Expansion Groundbreaking Celebration follows meeting*

Pursuant to ARS 38-431.02, notice is hereby given to the members of the Phoenix-Mesa Gateway Airport Authority and the general public that the Airport Authority will hold a meeting open to the public on Monday, September 26, 2011 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  
PHOENIX-MESA GATEWAY AIRPORT AUTHORITY  
BOARD MEETING**

**Monday, July 18, 2011 ✪ 9:00 a.m.**

**AIRPORT AUTHORITY BOARD MEMBERS**

Vice Mayor Thelda Williams, Phoenix  
Councilmember Jordan Ray, Gilbert  
Lt. Governor Joseph Manuel, Gila River Indian Community  
Councilwoman Dina Higgins, Mesa  
Mayor Gail Barney, Queen Creek

**GUESTS PRESENT**

Roc Arnett, East Valley Partnership  
Keith Belden, Morrison-Maierle  
Nikki Bernstein, Himovitz Properties  
Russ Brandt, Blue Chip Land Corporation  
Robert Brinton, Mesa Convention & Visitors Bureau  
Michael Brown, DWL Architects  
Matt Busby, City of Apache Junction  
Kent Dibble, Dibble Engineers  
Jeff Esgar, Sundt Construction  
Gale Fairaizl, Airport Wildlife  
Ted Ferris, QuadProConsulting  
Shawn Filip, DWL Architects  
Brian Kearney, Sundt Construction  
Larry Kieser, Mesa Police Department  
John Kross, Town of Queen Creek

Sandra Kukla, DWL Architects  
Floyd Moore, Valle del Oro  
LaVonne Morris, Phoenix Aviation  
Carl Newman, Phoenix Aviation  
Steve Rao, DWL Architects  
Richard Reese, Hensel Phelps Construction  
Scot Rigby, City of Mesa  
Michael Rosette, Mesa Fire Department  
Christopher Schmaltz, Gust Rosenfeld  
Tom Stark, Wells Fargo  
Art Thomason, Arizona Republic  
Raun Tinklepaugh, DWL Architects  
Chris Tinney, Sundt Construction  
Bruce Tinsley, Access & Egress  
Matt Tsovk, Strand Assoc.

**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 & Technology  
Carmen Williams, Interim Design & Construction Manager

## **CALL TO ORDER**

The meeting was called to order by Chair Thelda Williams at 9:00 am. Ms. Williams introduced Mesa Councilmember Dina Higgins and Gilbert Councilmember Jordan Ray.

## **AWARDS, GUEST INTRODUCTIONS, AND ANNOUNCEMENTS**

Airport Executive Director Lynn Kusy announced that the Airport had just received its 14<sup>th</sup> annual FAA Part 139 inspection with zero discrepancies.

Mr. Kusy congratulated Public Information Officer Brian Sexton on the birth of his son, Roman Michael Sexton.

## **COMMENTS FROM THE PUBLIC**

There were no public comments.

## **REVIEW OF MONTHLY STAFF REPORTS AND UPDATES ON: ♦ Construction ♦ Commercial Service ♦ Finance**

Mr. Kusy provided the following highlights from the June staff reports:

- Staff attended the annual FAA Western Pacific Airports Conference, where we met with the regional director of the Airports Division and several of this staff. We reviewed our progress to date on commercial service and grant administration, and discussed our capital grant requests for FY2011 and FY2012.
- Casey Denny attended the ACI-NA Jumpstart conference where he met with representatives of several airlines.
- Discussions continue with aircraft operators about ensuring the separation of general aviation and commercial aircraft operating in the vicinity of the Airport. The FAA hosts discussions with user groups about possible procedural or airspace changes that may be required to accommodate the growth of air traffic in the southeast valley.
- Fuel deliveries through the end of the fiscal year were up about 16% over FY10, with a total of 14.4 million gallons. Military fuel sales were down 26%. We hosted several different types of fire-fighting aircraft, including a DC-10 tanker.
- Our real estate occupancy rate remained at 78%, our highest point in several years.
- Airline Transport Professionals broke ground on their new facility on the north apron. ATP provides advanced flight training for professional pilots and has been a tenant on the Airport for several years.
- Fuel farm expansion plans are nearing completion and bids will be sought this month. We expect FAA grant funding this federal fiscal year.
- Through May, operating revenues were \$253,000 better than budget, and expenses were \$409,000 under budget.
- Capital spending in May was \$1,430,000, most of that for the Ray Road parking lot. Capital spending through the end of May totaled \$14.3 million.
- Staff completed upgrades to our Emergency Operations Center.
- Passenger count for May was 69,357, a 19 percent increase over May of last year.
- June numbers show the Airport handled 880,000 passengers in fiscal year 2011, as compared to 804,000 in calendar year 2010.
- He was invited to give a presentation to the 2011 Arizona Governor's Conference on Tourism in Scottsdale. He said he also sat on a panel which focused on the role of airports on tourism.
- Today, Gateway has 15 arriving flights. These flights will generate \$433,000 a day in tourism revenue.

**PRESENTATION - West Terminal Expansion Phase II – *Carmen Williams, Interim Design & Construction Manager***

Ms. Carmen Williams gave a brief history of the expansion of the west side terminal. She said in 2008, the Airport Authority contracted with DWL Architects to study the maximum capacity of the west side. Their evaluation indicated that the west side could accommodate 10 passenger gates and 1.7 million passengers. Phase I of the expansion opened in 2010. This added 25,000 square feet, two gates, and expanded baggage claim space. She said that the Phase II expansion will allow Gateway to meet future traffic demands.

**DWL Architects & Planners, Inc. – *Sandra Kukla, Executive Vice President***

Ms. Kukla provided an overview of the second phase of the proposed expansion of the west terminal. She noted that Phase II will add 30,000 square feet to the terminal, including two additional gates/parking positions. She said there will be more pay parking spaces and the rental car lot will be relocated. The existing courtyard, annex, and Phase I will remain unchanged. After completion of Phase II, Gateway can handle 620,000 annual enplanements.

**Sundt Construction, Inc. - *Brian Kearney***

Mr. Kearney presented Sundt's proposed construction phasing plan for the terminal expansion which is scheduled to begin August 2011 and be complete in October 2012. He reviewed the "lessons learned" from working on Phase I which include: improve temporary construction barriers, improve baggage claim, increase construction signage, and reduce surprises.

With regard to signage, Chair Williams asked that they be "kept simple."

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

**Tab A – MINUTES** of Board Meeting held on June 20, 2011.

**Tab B – Resolution No. 11-26– FABRICATING DISTRIBUTORS** - Authorizing a Lease Amendment for Building 533 at 6410 S. Sossaman Road Extending the Lease Term to September 30, 2011, at a Monthly Rate of \$10,147.

**Tab C - Resolution No. 11-27 – HIMOVITZ PROPERTIES** - Authorizing a Lease Amendment for Suites 111, 113, 120, and 121 at 5950 S. Sossaman Road Changing the Lease Term to One Calendar Month With Automatic Renewals.

**Tab D - Resolution No. 11-28 – RYAN INTERNATIONAL AIRLINES, INC.** - Authorizing a Five-Month Lease Agreement for Building 1092 Located at 6309 S. Taxiway Circle. Lease Commences August 1, 2011, and Continues Month-to-Month Thereafter, Payable at \$4,549.69 per Month.

**Mayor Barney moved to approve the Consent Agenda, and it was seconded. The motion carried unanimously.**

**CONSIDERATION AND POSSIBLE APPROVAL OF:**

**Resolution No. 11-29 – 47 LLC** - Authorizing a 65-Year Lease Agreement for Lots 47 and 48 Located at the Intersection of E. Velocity Way and S. Taxiway Circle for a Speculative Industrial Building.

Mr. Kusy explained that this lease is for a speculative industrial building which will be adjacent to an existing building by the same developer on Velocity Way.

**Councilmember Ray moved to approve Resolution No. 11-29. Councilwoman Higgins seconded the motion. The motion carried unanimously.**

**Resolution No. 11-30 – HUMMINGBIRD ENERGY, LLC** - Authorizing a Lease Agreement with Hummingbird for 6416 S. Sossaman Road Subject to Stipulated Conditions, at a Monthly Rate of \$4,283.76 and Authorizing Staff and Hummingbird to Move Forward with Rezoning Lot 59B to M2.

Representing Hummingbird Energy, Mr. Ted Ferris, QuadProConsulting, addressed the Board. He reported that due to delays beyond their control, Hummingbird Energy was asking that the lease be removed from the agenda and brought back in 30 to 60 days while Hummingbird works with SRP and ASU. Mr. Ferris said he will request a similar delay from the City of Mesa on the rezoning process. He said the facility may be resized - - possibly to one half the proposed size.

Chair Williams requested a full presentation on the project before a final decision is made by the Board.

**Councilwoman Higgins moved to remove Resolution No. 11-30 Hummingbird Energy from the agenda. Councilmember Ray seconded the motion. The motion carried unanimously.**

**Resolution No. 11-31 – SUNDT CONSTRUCTION, INC.** - Authorizing a Guaranteed Maximum Price and Amendment to Contract for the West Terminal Expansion Phase II Project in the Amount of \$9,999,718.

Mr. Kusy reported that Gateway Airport has been moved from “non hub” status to “small hub” status based on handling over 300,000 passengers in 2010. He said we are the fastest growing airport in the country.

**Mayor Barney moved to approve Resolution No. 11-31. Councilwoman Higgins seconded the motion. The motion carried unanimously.**

**Resolution No. 11-32 – DWL ARCHITECTS + PLANNERS, INC.** - Approving Authorization of Services No. 12-02 for Inspection and Construction Administration for the West Terminal Expansion Phase II Project at a Cost Not to Exceed \$893,403.06.

**Councilwoman Higgins moved to approve Resolution No. 11-32. Councilmember Ray seconded the motion. The motion carried unanimously.**

**Resolution No. 11-33 – CITY OF MESA** - Authorizing Payment of Permit and Impact Fees to the City for the West Terminal Expansion Phase II Project in the Amount of \$144,220.67.

**Mayor Barney moved to approve Resolution No. 11-33. Councilwoman Higgins seconded the motion. The motion carried unanimously.**

**Resolution No. 11-34 – AIRPORT WILDLIFE CONSULTANTS, LLC** - Authorizing a Contract for the Purpose of Conducting a Wildlife Hazard Assessment at a Cost of \$50,000.

Mr. Kusy stated that there are birds, coyotes, and other wildlife on the Airport which can cause significant damage to aircraft. This study is periodically required by the FAA to identify possible wildlife hazards. He said the last study was done about 10 years ago.

**Councilwoman Higgins moved to approve Resolution No. 11-34. Councilmember Ray seconded the motion. The motion carried unanimously.**

**Resolution No. 11-35 – TUG TECHNOLOGIES CORPORATION** - Authorizing the Purchase of a New Baggage Tractor at a Cost of \$36,787.

**Mayor Barney moved to approve Resolution No. 11-35. Councilwoman Higgins seconded the motion. The motion carried unanimously.**

**Resolution No. 11-36 – BULWARK EXTERMINATING, LLC** - Authorizing a Two-Year Lease Agreement for Building 550 at 6350 S. Sossaman Road. The Lease is Payable at a Monthly Rate of \$2,148.39.

**Councilwoman Higgins moved to approve Resolution No. 11-36. Mayor Barney seconded the motion. The motion carried unanimously.**

#### **ELECTION OF OFFICERS**

**Lt. Governor Manuel nominated Mayor Lewis for Chair, Lt. Governor Manuel for Vice Chair, Mayor Smith for Secretary, and Mayor Barney for Treasurer. Mayor Barney seconded the motion. The motion carried unanimously.**

#### **BOARD MEMBER COMMENTS / ANNOUNCEMENTS**

- Chair Williams was presented a plaque in honor of serving as Chair of the Board of Directors for the past year. She said it was “..... an honor and pleasure serving as chair.”
- Councilwoman Higgins reported on last weekend’s 70<sup>th</sup> anniversary of the July 16, 1941 ground breaking of Williams Field and Falcon Field.

#### **NEXT MEETING**

The next meeting will be held on Monday, September 26, 2011 at 9:00 am.

#### **ADJOURN**

The meeting adjourned at 9:36 am.



**Phoenix-Mesa Gateway Airport  
Airport Administration**

5835 South Sossaman Road  
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## Action Item

**RESOLUTION NO. 11-30**

**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: September 26, 2011**

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**Proposed Motion:**

**Approve Resolution No. 11-30 authorizing the acceptance of any Federal Aviation Administration (FAA) grant offer(s) received between July 1, 2011 and September 30, 2012.**

**Narrative:**

The FAA has received the Phoenix-Mesa Gateway Airport Authority (PMGAA) Airport Capital Improvements Program (fiscal years 2012-2016) and the 2007 Airport Master Plan Update. The FAA may offer the Airport Authority a grant or multiple grants for capital improvement projects at any time during the year.

Staff requests authority to prepare grant applications and submit to the FAA for capital planning and construction projects. PMGAA wishes to accept any offer(s) received, agrees to accomplish the described development, and will 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).

Attachment

**RESOLUTION NO. 11-30**

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 Federal Aviation Administration (FAA) has received the Airport Authority’s Capital Improvements Program (Fiscal Years 2012-2016) 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 Phoenix-Mesa Gateway Airport Authority as follows:

**The Phoenix-Mesa Gateway Airport Authority Board of Directors hereby authorizes the acceptance 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 September 30, 2012. The Executive Director, Deputy Director, and Chair are authorized to execute such Grant Agreement(s).**

Passed and adopted by the Phoenix-Mesa Gateway Airport Authority this 26<sup>th</sup> day of September 2011.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY



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## Action Item

**RESOLUTION NO. 11-37**

**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: September 26, 2011**

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**Proposed Motion:**

**Approve Resolution No. 11-37 authorizing the acceptance of any Arizona Department of Transportation (ADOT) grant offer(s) received between July 1, 2011 and June 30, 2012.**

**Narrative:**

The FAA and ADOT have received the Phoenix-Mesa Gateway Airport Authority (PMGAA) Airport Capital Improvements Program (fiscal years 2012-2016) and the 2007 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, agrees to accomplish the described development, and will 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).

Attachment



**RESOLUTION NO. 11-37**

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 Arizona Department of Transportation (ADOT) has received the Airport Authority’s Airport Capital Improvements Program (Fiscal Years 2012-2016) 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 Phoenix-Mesa Gateway Airport Authority as follows:

**The Phoenix-Mesa Gateway Airport Authority Board of Directors hereby authorizes the acceptance of any Arizona Department of Transportation (ADOT) grant offer(s) received between July 1, 2011 and June 30, 2012. The Executive Director, Deputy Director, or Chair are authorized to execute such Grant Agreement(s).**

Passed and adopted by the Phoenix-Mesa Gateway Airport Authority this 26th day of September 2011.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY



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## Action Item

**RESOLUTION NO. 11-38**

**To:** Board of Directors  
**From:** Bill Mitchell, Director, Operations and Maintenance  
**Through:** Lynn F. Kusy, C.M., C.A.E., Executive Director  
**Re:** Landscape Contract – DV Municipal Maintenance, LLC  
**Date:** September 19, 2011

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**Proposed Motion:**

**Approve Resolution No. 11-38 authorizing a month-to-month contract for landscape maintenance services with DV Municipal Maintenance, LLC, formerly Desert Glen Commercial Landscape Group, at a cost of \$11,240 per month.**

**Narrative:**

A primary function of the Operations and Maintenance Division is to ensure Airport facilities provide a safe and aesthetically pleasing environment for passengers, visitors, tenants, and staff. This contract covers landscape maintenance services for a total of 47.1 acres of Airport property.

Since July 2009 Phoenix-Mesa Gateway Airport Authority (PMGAA) has utilized City of Chandler contract ST9-988-2726 with Desert Glen Commercial Landscape Group for landscape maintenance services. This year, the City of Chandler rebid the contract but did not include Strategic Alliance for Volume Expenditures (S.A.V.E.) language in their contract. S.A.V.E language allows PMGAA to utilize Arizona municipal and school district contracts. The purpose of the month-to-month contract is to cover the time required for PMGAA staff to develop/award a new landscape maintenance contract.

**Fiscal Impact:**

This contract is included in the FY12 Operations and Maintenance operating budget under Repair & Maintenance.

Attachment



RESOLUTION NO. 11-38

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 for landscape 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 authorizes a month-to-month contract for landscape maintenance services with DV Municipal Maintenance, LLC, formerly Desert Glen Commercial Landscape Group, at a cost of \$11,240 per month. 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 26th day of September 2011.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY



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## Action Item

RESOLUTION NO. 11-39

**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:** First Amendment to Terminal Concession Lease – StarGateway, LLC  
**Date:** September 26, 2011

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### Proposed Motion:

Approve Resolution No. 11-39 authorizing a first amendment to StarGateway's terminal concession lease of *The Phoenix* specialty retail concession temporarily changing their monthly payment from a minimum annual guarantee to ten percent of gross sales for a period of two years. Payment structure will revert back to the original formula on October 1, 2013. This amendment is effective October 1, 2011.

### Narrative:

StarGateway opened *The Phoenix* specialty retail concession in February 2011. Its first six months' sales performance has been disappointing. Adjustments to product mix and pricing, and Airport actions to promote sales, have been insufficient to reverse declining sales trends. In an effort to enable the business to remain viable, the parties are encouraging a temporary, two-year reduction in StarGateway's monthly space rental payments, from a present monthly requirement to pay the greater of a \$2,750 minimum annual guarantee or 12 percent of gross sales, to a singular 10 percent of gross sales, after which the current formula will be fully restored. The net financial effect to the Airport is an estimated \$8,700 annual revenue loss, although if concession sales figures improve, the actual amount could be less or none at all. Absent this change, *The Phoenix* may be unable to continue operations.

All other lease provisions remain unchanged.

Attachment





**RESOLUTION NO. 11-39**

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 StarGateway LLC’s lease of *The Phoenix*;

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 first amendment to StarGateway LLC’s terminal concession lease of *The Phoenix* specialty retail concession temporarily changing their monthly payment from a minimum annual guarantee to ten percent of gross sales for a period of two years. Payment structure will revert back to the original formula on October 1, 2013. This amendment is effective October 1, 2011. 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 26th day of September 2011.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY



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## Action Item

RESOLUTION NO. 11-40

**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:** First Amendment to Terminal Concession Lease – StarGateway, LLC  
**Date:** September 26, 2011

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### Proposed Motion:

Approve Resolution No. 11-40 authorizing a first amendment to StarGateway's terminal concession lease of the *Flightline Market* food and beverage concession temporarily changing their monthly payment from a minimum annual guarantee to ten percent of gross sales for a period of two years. Payment structure will revert back to the original formula on October 1, 2013. This amendment is effective October 1, 2011.

### Narrative:

StarGateway opened the *Flightline Market* food and beverage concession in November 2009. During the past year, its sales performance has been disappointing. Adjustments to product mix and pricing, and Airport actions to promote sales, have been insufficient to reverse declining sales trends. In an effort to enable the business to remain viable, the parties are encouraging a temporary, two-year reduction in StarGateway's monthly space rental payments, from a present monthly requirement to pay the greater of a \$5,305 minimum annual guarantee or 12 percent of gross sales, to a singular 10 percent of gross sales, after which the current formula will be fully restored. The net financial effect to the Airport is an estimated \$12,000 annual revenue loss, although if concession sales figures improve, the actual amount could be less or none at all. Absent this change, the *Flightline Market* may be unable to sustain current operations.

All other lease provisions remain unchanged.

Attachment





**RESOLUTION NO. 11-40**

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 amend StarGateway LLC’s lease of the *Flightline Market*;

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 first amendment to StarGateway LLC’s terminal concession lease of the *Flightline Market* food and beverage concession temporarily changing their monthly payment from a minimum annual guarantee to ten percent of gross sales for a period of two years. Payment structure will revert back to the original formula on October 1, 2013. This amendment is effective October 1, 2011. 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 26th day of September 2011.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY



Phoenix-Mesa Gateway Airport  
5835 South Sossaman Road  
Mesa, Arizona 85212-6014  
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[www.phxmesagateway.org](http://www.phxmesagateway.org)

## Action Item

RESOLUTION NO. 11-41

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: First Amendment to Terminal Concession Lease – StarGateway, LLC  
Date: September 26, 2011

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### Proposed Motion:

Approve Resolution No. 11-41 authorizing a first amendment to StarGateway's terminal concession lease of the *Arizona Highways* news and gift concession extending the term through September 30, 2014, and temporarily changing their monthly payment from a minimum annual guarantee to ten percent of gross sales for a period of two years. Payment structure will revert back to the original formula on October 1, 2013. This amendment is effective October 1, 2011.

### Narrative:

StarGateway opened the *Arizona Highways* news and gift concession in October 2007 under a single, five-year lease. Subsequently, opened two additional concessions. An extension of the *Arizona Highways* lease will better align its term to those of the other concessions.

During the past year, *Arizona Highways*' sales performance, like that of its affiliate concession businesses, has been disappointing. Adjustments to product mix and pricing, and Airport actions to promote sales, have been insufficient to reverse declining sales trends. In an effort to enable the business to remain viable, the parties are encouraging a temporary, two-year reduction in StarGateway's monthly space rental payments, from a present monthly requirement to pay the greater of a \$6,730 minimum annual guarantee or 12 percent of gross sales, to a singular 10 percent of gross sales, after which the current formula will be fully restored. The net financial effect to the Airport an estimated \$16,000 annual revenue loss, although if concession sales figures improve, the actual amount could be less or none at all. Absent this change, *Arizona Highways* may be unable to sustain current operations.

All other lease provisions remain unchanged.

Attachment





**RESOLUTION NO. 11-41**

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 amend StarGateway LLC’s lease of the *Arizona Highways*;

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 first amendment to StarGateway LLC’s terminal concession lease of the *Arizona Highways* news and gift concession extending the term through September 30, 2014, and temporarily changing their monthly payment from a minimum annual guarantee to ten percent of gross sales for a period of two years. Payment structure will revert back to the original formula on October 1, 2013. This amendment is effective October 1, 2011. 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 26th day of September 2011.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY



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## Action Item

RESOLUTION NO. 11-42

**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:** First Amendment to Terminal Concession Lease – Phoenix Airport Food Services, Inc.  
**Date:** September 26, 2011

---

### Proposed Motion:

Approve Resolution No. 11-42 authorizing a first amendment to Phoenix Airport Food Service's terminal concession lease of the *Paradise Bakery & Café* and *Copper Plate* food and beverage concessions temporarily changing the monthly payments from a minimum annual guarantee to ten percent of gross sales for a period of two years. Payment structure will revert back to the original formula on October 1, 2013. This amendment is effective October 1, 2011.

### Narrative:

Phoenix Airport Food Services opened the *Paradise Bakery & Café* and *Copper Plate* food and beverage concessions in February 2011. The first six months' sales performance for each has been disappointing. Adjustments to product mix and pricing, and Airport actions to promote sales, have been insufficient to reverse declining sales trends. In an effort to enable the business to remain viable, the parties are encouraging a temporary, two-year reduction in their monthly space rental payments, from a present monthly requirement to pay the greater of a \$1,994 and \$4,407 minimum annual guarantee, respectively, or 12 percent of gross sales (15 percent for alcoholic beverages), to a singular 10 percent of gross sales, after which the current formula will be fully restored. The net financial effect to the Airport is an estimated \$7,000 and \$13,500 annual revenue loss for the respective concessions, although if sales figures improve, the actual amounts could be less or none at all. Absent this change, both concessions may be unable to continue operations.

All other lease provisions remain unchanged.

Attachment





**RESOLUTION NO. 11-42**

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 amend Phoenix Airport Food Service, Inc.’s lease;

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 first amendment to Phoenix Airport Food Service’s terminal concession lease of the *Paradise Bakery & Café* and *Copper Plate* food and beverage concessions temporarily changing the monthly payments from a minimum annual guarantee to ten percent of gross sales for a period of two years. Payment structure will revert back to the original formula on October 1, 2013. This amendment is effective October 1, 2011. 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 26th day of September 2011.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY



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## Action Item

RESOLUTION NO. 11-43

**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:** Payment of Fire Suppression Connection Fees – City of Mesa  
**Date:** August 18, 2011

### Proposed Motion:

Approve Resolution No. 11-43 authorizing payment of fire suppression connection fees to the City of Mesa in the amount of \$90,000.

### Narrative:

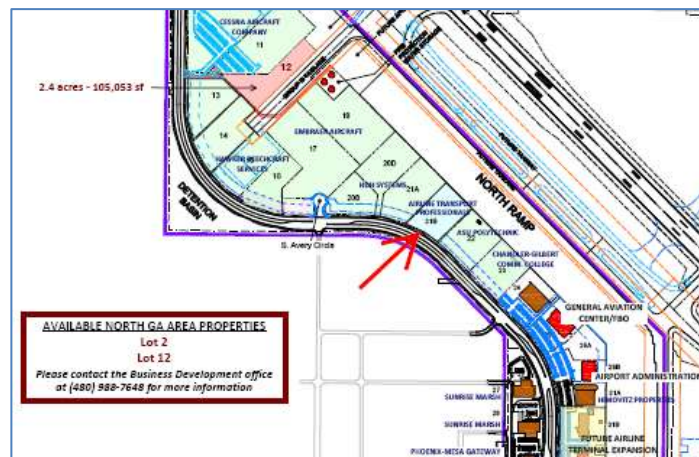
The north area of the Airport serves general aviation customers of all sizes, the smallest being single-engine piston aircraft and the largest being multi-engine corporate jets. As a result of the various sizes of general aviation aircraft, there are different fire protection requirements. In all cases, fire protection requirements are met by connecting parcels to Mesa's dedicated fire suppression utility.

This payment represents the Airport's fee for connecting an Airport parcel to the fire protection system. The parcel has been leased to Airline Transport Professionals (ATP), which is now developing a flight training facility. ATP has already paid their portion of the connection fee and they are responsible for ongoing utility fees.

### Fiscal Impact:

This purchase is funded with budgeted non-grant capital funds related to an IGA with the City of Mesa for Project 594, Mesa Fire Station 215.

Attachment





**RESOLUTION NO. 11-43**

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 pay fire suppression connection fees to the City of Mesa;

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 the payment of fire suppression connection fees to the City of Mesa in the amount of \$90,000.**

Passed and adopted by the Phoenix-Mesa Gateway Airport Authority this 26th day of September 2011.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY



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## Action Item

**RESOLUTION NO. 11-44**

**To: Board of Directors**  
**From: Bill Mitchell, Director, Operations and Maintenance**  
**Through: Lynn F. Kusy, C.M., C.A.E., Executive Director**  
**Re: General Aviation Center Landscape – Gothic Landscaping, Inc.**  
**Date: September 19, 2011**

---

**Proposed Motion:**

**Approve Resolution No. 11-44 authorizing a contract with Gothic Landscaping, Inc. for landscape improvements to the General Aviation Center at a cost of \$45,155.71.**

**Narrative:**

A primary function of the Operations and Maintenance Department is to ensure Airport facilities provide a safe, clean, and aesthetically pleasing environment for passengers, visitors, tenants, and staff. Improvements to the General Aviation Center landscape are necessary to meet standards and enhance customer experience.

Phoenix-Mesa Gateway Airport Authority RFP 2012-001 for landscape improvements of General Aviation Center was issued on July 15, 2011 and advertised in the Arizona Tribune on July 16, 20, 23, and 27; Arizona Business Gazette on July 21 and 28; and posted on the Airport’s Web site. Eight qualified bids were received, reviewed, and rated. The top three firms are listed below.

<u>Company</u>	<u>Bid Amount</u>
1. Gothic Landscaping, Inc.	\$45,155.71
2. Desierto Verde	\$47,742.18
3. Epifini Landscape	\$50,731.72

Incorporated in 1984, Gothic Landscaping Inc. began as a fine grading operation with about 30 employees. The company has grown consistently over the years and now employs more than 1,200 landscape and maintenance professionals with offices in Phoenix, Los Angeles, Las Vegas, and San Diego.

**Fiscal Impact:**

Funding for this contract is included in the FY12 operating budget under Repair and Maintenance.

Attachment





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 for landscape improvements;

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 contract with Gothic Landscaping, Inc. for landscape improvements to the General Aviation Center at a cost of \$45,155.71. 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 26th day of September 2011.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY



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## Action Item

**RESOLUTION NO. 11-45**

**To: Board of Directors**  
**From: Kevin Mentzer, Manager, Operations & Maintenance**  
**Through: Bill Mitchell, Director, Operations & Maintenance**  
**Through: Lynn F. Kusy, C.M., C.A.E., Executive Director**  
**Re: Replacement Cooling Tower – SDB, Inc.**  
**Date: September 19, 2011**

---

### Proposed Motion:

**Approve Resolution No. 11-45 authorizing a contract with SDB, Inc. for the purchase and installation of a cooling tower for the terminal at a cost of \$86,882.**

### Narrative:

A cooling tower is an integral component of the HVAC system, providing chilled water to pumps that provide air conditioning.

The current cooling tower in operation at the Charles L. Williams ticketing terminal has reached the end of its serviceable life. The unit is not repairable due to age and condition. Rust and other environmental factors have caused significant erosion and damage.

SDB, Inc. will provide labor and material as follows:

- Provide and install new cooling tower
- Disconnect all electrical, water, and drain lines
- Crane existing tower out and replace with new tower
- Fill tower and perform complete start up
- Remove, regROUT, set, and anchor two pumps

The Airport Authority is a member of the Strategic Alliance for Volume Expenditures (S.A.V.E). Membership in S.A.V.E. allows staff to access various Arizona municipal and school district contracts. SDB, Inc. is a vender selected under City of Chandler contract JOC07-04.

### Fiscal Impact:

Funding for this contract is included in the FY12 capital budget's non-grant capital funds under Project 766.

Attachment



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 for a cooling tower;

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 contract with SDB, Inc. for the purchase and installation of a cooling tower for the terminal from at a cost of \$86,882. 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 26th day of September 2011.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY



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## Action Item

**RESOLUTION NO. 11-46**

**To:** Board of Directors  
**From:** Kevin Mentzer, Manager, Operations & Maintenance  
**Through:** Bill Mitchell, Director, Operations & Maintenance  
**Through:** Lynn F. Kusy, C.M., C.A.E., Executive Director  
**Re:** Digital Signage – SDB, Inc.  
**Date:** September 19, 2011

---

### Proposed Motion:

Approve Resolution No. 11-46 authorizing a contract with SDB, Inc. for the purchase and installation of two digital parking signs at a cost of \$65,894.

### Narrative:

The Airport is nearing completion of a 2,700-space remote parking lot located at 7255 E. Ray Road. Signage is imperative in providing lot status “Open/Closed” information to our customers.

Two digital signs on Ray Road will display real-time parking lot status for the Ray Road lot and the terminal lot located adjacent to the Charles L. Williams Terminal.

SDB, Inc. will provide labor and materials as follows:

- Provide and install conduit and wire from electric source for two 96”x48” signs
- Provide owner specified signs and integrate signs into parking control system
- Provide radio for relay for sign controls
- Signs to be on posts 80” off ground. East sign to be installed on north side of Ray Road
- Directional bore under Ray Road

The Airport Authority is a member of the Strategic Alliance for Volume Expenditures (S.A.V.E). Membership in S.A.V.E. allows staff to access various Arizona municipal and school district contracts. SDB, Inc. is a vender selected under City of Chandler contract JOC07-04.

### Fiscal Impact:

Funding for this contract is included in the FY12 capital budget’s unallocated non-grant capital funds.

Attachment





RESOLUTION NO. 11-46

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 enter into a contract for digital parking signs;

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 contract with SDB, Inc. for the purchase and installation of two digital parking signs at a cost of \$65,894. 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 26th day of September 2011.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY



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## Action Item

**RESOLUTION NO. 11-47**

**To: Board of Directors**  
**From: Bill Mitchell, Director, Operations and Maintenance**  
**Through: Lynn F. Kusy, C.M., C.A.E., Executive Director**  
**Re: Concrete Repair Services – Centennial Contractors Enterprises, Inc.**  
**Date: September 19, 2011**

---

**Proposed Motion:**

**Approve Resolution No. 11-47 authorizing a contact with Centennial Contractors Enterprises, Inc. for concrete repair services to Runway 30L at a cost of \$36,297.30.**

**Narrative:**

The Operations and Maintenance Department is responsible for the maintenance and repair of Airport runways, taxiways, ramps, and road infrastructure. The Airport's Runway 30L requires the excavation and replacement of 1,350 cubic feet of concrete and subgrade material to repair failing slabs.

The Airport has an Intergovernmental Cooperative Purchasing Agreement with Mohave Educational Services Cooperative, Inc. (MESC) that allows access to MESC contracts. Centennial Contractors Enterprises, Inc. will provide all services to meet scope under MESC Contract IFB Award #09D-CENT-0902. It is the responsibility of Centennial Contractors Enterprises, Inc. to solicit competitive subcontractor bids. In accordance with open book pricing, Centennial Contractors, Inc.'s bid is reflective of the lowest subcontractor bid based upon general conditions, fixed G&A and profit multipliers (7.4 and 6.9 percent respectively), tax, and bond.

**Fiscal Impact:**

Funding for this contract is included in the FY12 operating budget and is funded under Repair and Maintenance.

Attachment



**RESOLUTION NO. 11-47**

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 enter into a contract for concrete repairs;

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 contract with Centennial Contractors Enterprises, Inc. for concrete repair services to Runway 30L at a cost of \$36,297.30. 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 26th day of September 2011.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY



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## Action Item

**RESOLUTION NO. 11-48**

**To:** Board of Directors  
**From:** Carmen Williams, C.M., Interim Design and Construction Manager  
**Through:** Casey Denny, C.M., C.A.E., Deputy Director  
**Through:** Lynn F. Kusy, C.M., C.A.E., Executive Director  
**Re:** Fuel Farm Expansion Construction Contract – Nesbitt Contracting Co. Inc.  
**Date:** September 26, 2011

---

### Proposed Motion:

Approve Resolution No. 11-48 authorizing a construction contract with Nesbitt Contracting Co., Inc. for construction of the fuel farm expansion project at a cost not to exceed \$1,579,144.84.

### Narrative:

As commercial air traffic continues to grow, so does the demand it places on the Phoenix-Mesa Gateway Airport fuel storage facility. In order to maintain an uninterrupted supply of fuel for customers, the Airport Master Plan suggests a total on-site capacity that provides for an eight-day supply. The expansion of the fuel farm provides for a 2-day supply of fuel. With the proposed additional tanks, the fuel farm will provide a 5-day supply, given our current level of activity.

To meet future needs, this project will add two 50,000-gallon above-ground storage tanks next to the existing six 25,000-gallon tanks. In addition to the expansion of the fuel storage capacity, 3,650 square yards of failing concrete pavement will be replaced. The pavement deterioration is due to soft subgrade soil conditions and heavy fuel truck traffic.

Invitation for Bids No. 2011-021-IFB for the construction of the fuel farm expansion project was advertised in the East Valley Tribune on July 13, 16, 20, 23, and 27, 2011, and posted on the Phoenix-Mesa Gateway Airport Website. A pre-bid meeting was held July 19, 2011. The bid opening was August 11, 2011, and four bids were received:

<u>Company Name</u>	<u>Bid Amount</u>
1. Nesbitt Contracting	\$1,579,144.84
2. Norquay Construction	\$1,612,077.99
3. Kear Civil Corporation	\$1,664,459.66
4. Bill Stacey Construction	\$1,976,522.21

Pending receipt of a grant award, it is recommended that the construction contract be awarded to the lowest responsive and responsible bidder, Nesbitt Contracting Co., Inc., for a total amount not to exceed \$1,579,144.84.

### Fiscal Impact:

This project is authorized in the FY12 capital budget pending receipt of funds via FAA Military Airports Program grant at \$1,500,187.60 (95 percent), ADOT grant match \$39,478.62 (2.5 percent), and Airport Authority grant match \$39,478.62 (2.5 percent) as Project No. 673.

Attachment



**RESOLUTION NO. 11-48**

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 a construction contract with Nesbitt Contracting, 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 construction contract with Nesbitt Contracting Co., Inc. for the construction of the fuel farm expansion project at a cost not to exceed \$1,579,144.84. 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 26th day of September 2011.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY



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## Action Item

**RESOLUTION NO. 11-49**

**To:** Board of Directors  
**From:** Carmen Williams, C.M., Interim Manager Design and Construction  
**Through:** Casey Denny, C.M., C.A.E., Deputy Director  
**Through:** Lynn F. Kusy, C.M., C.A.E., Executive Director  
**Re:** Fuel Farm Expansion, Construction Administration Services – Dibble Engineering  
**Date:** September 26, 2011

---

### Proposed Motion:

Approve Resolution No. 11-49 authorizing a contract with Dibble Engineering for fuel farm expansion construction administration, inspection, and testing services at a cost not to exceed \$198,608.

### Narrative:

As commercial air traffic continues to grow, so does the demand it places on the Phoenix-Mesa Gateway Airport fuel storage facility. To meet future needs, this project will add two 50,000-gallon above-ground storage tanks next to the existing six 25,000-gallon tanks.

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 manages the project in accordance with the project specifications, and to ensure compliance with federal and state grant requirements. In 2009, a Request for Qualifications for engineering services was issued for this project. Dibble Engineering was selected and approved by the Board in February 2010 (Contract C-2010-002, Resolution No. 10-02).

### Fiscal Impact:

This project is authorized in the FY12 capital budget pending receipt of funds via FAA Military Airports Program grant at \$188,677.60 (95 percent), ADOT grant match \$4,965.20 (2.5 percent), and Airport Authority grant match \$4,965.20 (2.5 percent), as Project No. 673.

Attachment





**RESOLUTION NO. 11-49**

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 administration services 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 authorizes a contract with Dibble Engineering for fuel farm expansion construction administration, inspection, and testing services at a cost not to exceed \$198,608. 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 26th day of September 2011.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY



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## Action Item

**RESOLUTION NO. 11-50**

**To:** Board of Directors  
**From:** John Barry, Business Development Manager  
**Through:** Casey Denny, C.M., C.A.E., Deputy Director  
Lynn F. Kusy, C.M., C.A.E., Executive Director  
**Re:** Marketing Consultant Services for Air Service Development – Mead & Hunt, Inc.  
**Date:** September 26, 2011

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### Proposed Motion:

**Approve Resolution No. 11-50 authorizing a one-year contract extension with Mead & Hunt for air service development services in an amount not to exceed \$60,000. Contract extension commences October 1, 2011 and ends September 30, 2012.**

### Narrative:

To assist in developing and attracting additional air service, Phoenix-Mesa Gateway Airport Authority has utilized professional consulting services. These contracted services include developing specific route analyses, creating air service development marketing materials, and setting up one-on-one meetings with targeted airlines.

In October 2008 after a competitive proposal process, the Board approved a three-year contract, No. C-2008024, with Mead & Hunt, Inc. for air service development consulting services. That contract expired on June 30, 2011. Staff seeks to extend the term of the agreement for one additional year while they undertake the procurement of a multi-year contract planned to begin in July 1, 2012.

In FY09, FY10, and FY11 Mead & Hunt produced marketing brochures depicting current flight activities, catchment area demographics, and route analysis inserts for one-on-one airline meetings. In FY09, meetings were held with eight airlines at Network USA 2009 conference and a ninth meeting was held at an airline's corporate office. In FY10, meetings were held with nine airlines at Network USA 2010, proposals were delivered to three airlines. In FY11, meetings were held with seven airlines at Network USA 2011 and five airlines at Airports Council International (ACI) Jumpstart conference.

Based on a scope of services negotiated by staff, the proposed contract amount for FY12 is \$60,000. The scope includes arranging for and attending a minimum of two one-on-one meetings with airlines at the airline's corporate offices, as well as representing Gateway at the three primary air service conferences: Allegiant Air, Network USA, and ACI's JumpStart Air Service Development Program. In addition, updated route proposals, marketing materials, and presentations will be developed.

### Fiscal Impact:

This contract was included in the FY12 operating budget and is funded under Consultants.

Attachment



**RESOLUTION NO. 11-50**

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 contract for air service development;

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 one-year contract extension with Mead & Hunt for air service development services in an amount not to exceed \$60,000, effective October 1, 2011 through September 30, 2012. 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 26th day of September 2011.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY



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

**RESOLUTION NO. 11-51**

**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: Lease Termination – Velocity Square, LLC**  
**Date: September 26, 2011**

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### Proposed Motion:

Approve Resolution No. 11-51 authorizing termination of Velocity Square, LLC's property lease agreement for Lots 108 and 109 due a continuing failure to satisfy improvement construction milestones. This termination will become effective on September 28, 2011, resulting in a forfeiture of their \$25,410.27 security deposit to the Airport Authority.

### Narrative:

Velocity Square leased Lots 108 and 109 in June 1, 2007, to construct a speculative industrial flex facility that sought to spur growth of the business park within the southeastern industrial area of the Airport. However, economic factors led to their request to delay required facility design and construction activity milestones for an additional year. The Board approved that request via lease amendment on October 18, 2010.

The first new milestone date, for submittal of design documents to the Airport Design Review Committee, was June 1, 2011. However, no submittal was received and subsequent conversations with the owner revealed that because of continuing economic circumstances, none would be forthcoming anytime soon. Subsequently, on July 20, 2011, the owner was sent a Notice of Default that afforded a 30-day period to remedy the default. That period expired on August 24, 2011, with no resolution.

In the absence of any positive indicators that the required improvements will be built, and in the interest of fairness to other Airport tenants, staff recommends lease termination and return of Lots 108 and 109 to our inventory of parcels available for new development.

### Fiscal Impact:

Termination of this lease will result in Velocity Square's forfeiture of their \$25,410.27 security deposit. There will be no other financial impact because no rent was paid due to the lease provision that allowed for abatement of rent through the earlier of 50 percent occupancy of the Velocity Square's specified improvements, or June 1, 2012.

Attachment



**RESOLUTION NO. 11-51**

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 terminate a property lease agreement with Velocity Square, 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 termination of Velocity Square, LLC’s property lease agreement for Lots 108 and 109 due a continuing failure to satisfy improvement construction milestones. This termination will become effective on September 28, 2011, resulting in a forfeiture of their \$25,410.27 security deposit to the Airport Authority.**

Passed and adopted by the Phoenix-Mesa Gateway Airport Authority this 26th day of September 2011.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

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## Action Item

**RESOLUTION NO. 11-52**

**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:** Lease Agreement – Air Methods Corporation  
**Date:** September 26, 2011

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### Proposed Motion:

Approve Resolution No. 11-52 authorizing a lease agreement with Air Methods Corporation for Buildings 31 and 1362 located at 6203 S. Sossaman Road. The lease term is two years, commencing November 1, 2011, with one two-year renewal option, payable at a monthly rate of \$11,030.52.

### Narrative:

Air Methods is the nation's largest air ambulance service operator. Recently, they purchased Omniflight Helicopters, Inc., owner of Native American Air Ambulance, Inc., a company that has operated from the Airport since 1996. Native Air provides aeromedical transport services throughout the Phoenix Metropolitan area and elsewhere in Arizona. Air Methods is relocating Native Air to newly renovated Airport Buildings 31 and 1362 to accommodate growing operational commitments.

### Lease Term and Rate:

This lease has a term of two years and offers one renewal option for two additional years. The initial lease rate is \$11,030.52 per month, or \$5.81 per square foot per year for approximately 23,576 square feet. It is subject to annual lease rate increases equal to the greater of CPI or three percent. In addition, they will be paying \$800.46 monthly for fire suppression system maintenance and \$400 monthly for public ramp use.

Attachment



**RESOLUTION NO. 11-52**

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 lease agreement with Air Methods Corporation;

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 lease agreement with Air Methods Corporation for Buildings 31 and 1362 located at 6203 S. Sossaman Road. The lease term is two years, commencing November 1, 2011, with one two-year renewal option, payable at a monthly rate of \$11,030.52. 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 26th day of September 2011.

ATTEST:

\_\_\_\_\_  
CLERK

\_\_\_\_\_  
CHAIR

APPROVED AS TO FORM:

\_\_\_\_\_  
ATTORNEY