

PHOENIX-MESA GATEWAY AIRPORT AUTHORITY

5835 S. Sossaman Road • Mesa, Arizona 85212

BOARD of DIRECTORS' MEETING

AGENDA

Monday, November 21, 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. Mitzi Montoya, Vice Provost & Dean, College of Technology & Innovation*
 - b) **Chandler-Gilbert Community College** - *John Schroeder, Provost*
 - c) **Review of Annual Audit Report** - *Dennis J. Osuch, CPA, Larson Allen LLP (Report was distributed to Board in October.)*
5. **Review of Monthly Staff Reports and Updates on:** ♦ **Construction** ♦ **Commercial Service** ♦ **Finance** ♦
- *Lynn Kusy, Executive Director*
6. **Presentations:**
 - a) **Residential Encroachment** - *Casey Denny, Deputy Director*
 - b) **Arizona Laboratories for Security and Defense Research** – *Dane Mullinex, Alion Science & Technology*
7. **Consent Agenda:**
 - a) **Minutes** of Telephonic Board Meeting held on October 17, 2011.
 - b) **Resolution No. 11-55** - Authorizing a Five-Month Lease with **FALCON AIR EXPRESS, INC.** for Buildings 531 and 1087 Commencing December 1, 2011.
 - c) **Resolution No. 11-56** - Authorizing a One-Year Lease with **L-3 COMMUNICATIONS CORPORATION** for Suites 120 and 121 Located at 5950 S. Sossaman Road.
 - d) **Resolution No. 11-57** - Authorizing **WILLIS OF ARIZONA, INC.** to Purchase Insurance From Various Vendors for Calendar Year 2012.
 - e) **Resolution No. 11-58** – Authorizing a Five-Year Facility Lease with **FABRICATING/DISTRIBUTOR, INC.** for Building 1095 Located at 6316 S. Taxiway Circle.
8. **Board Member Comments/Announcements**
9. **Executive Session:**
 - a) The Board may hold an executive session pursuant to Arizona Revised Statutes Section 38-431.03(A)(1) for discussion or consideration regarding the Executive Director and his annual review.
 - b) The Board may hold an executive session pursuant to Arizona Revised Statutes Section 38-431.03(A)(4) for discussion or consultation with the attorney of the public body in order to consider its position and instruct its attorney regarding the public body's position regarding a contract that is the subject of negotiation with a new Airport user; and Section 38-431.03(A)(7) for discussion or consultation with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the lease of real property with a new Airport user.
10. **Reconvene** from Executive Session to Regular Session
11. **Next Meeting:** December 19, 2011 – 9:00 am
12. **Adjourn**

Please Note: Candid photos of the Board members will be taken during this meeting.



PhxMesa **Gateway** Airport

Phoenix-Mesa Gateway Airport Authority
5835 S. Sossaman Road Mesa, Arizona 85212
Monday, October 17, 2011 9:00 am

TELEPHONIC BOARD MEETING

MINUTES

AIRPORT AUTHORITY BOARD MEMBERS

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

**Neither present nor represented*

GUESTS and STAFF PRESENT

Margi Evanson, Supervisor, Operational Planning & Control
Gretchen Hawkins, Executive Assistant/Clerk to the Board of Directors
Lynn Kusy, Executive Director
Chris McCarthy, Line Service Specialist
Bill Mitchell, Director, Operations, Maintenance and Technology
Floyd Moore, Valle del Oro
Taryn O'Donnal, Executive Assistant
Christopher Schmaltz, Gust Rosenfeld P.L.C. *(via telephone)*
Brian Sexton, Public Information Officer
Ivan Smith, Supervisor, Gateway Aviation Service
Art Thomason, Arizona Republic

CALL TO ORDER

The meeting was called to order at 9:02 am.

CONSIDERATION AND POSSIBLE APPROVAL OF:

- a.) Minutes of Board Meeting held on September 26, 2011.
- b.) Resolution No. 11-53 - Authorizing a One-Year Extension to AMPCO System Parking Contract for Hourly Parking Lot Management and Shuttle Services.
- c.) Resolution No. 11-54 - Authorizing an Advertising License Agreement for Terminal Baggage Claim Area with Knoodle.

Vice Mayor Williams moved to approve the September 26, 2011 minutes and Resolution Nos. 11-53 and 11-54. Mayor Barney seconded the motion. The motion carried unanimously.

BOARD MEMBER COMMENTS / ANNOUNCEMENTS

Mayor Lewis mentioned that the Arizona Airports Association is holding their annual fall conference in Gilbert this year. Mr. Kusy noted that this conference usually draws about 200 people.

Mayor Lewis reported that presentations on encroachment and economic development will be given at the November 21 Board meeting.

NEXT MEETING

The next meeting will be held on November 21, 2011 at 9:00 am.

ADOURN

The meeting adjourned at 9:04 am.

Action Item

RESOLUTION NO. 11-55

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: Facility Lease – Falcon Air Express, Inc.
Date: November 21, 2011

Proposed Motion:

Approve Resolution No. 11-55 authorizing a facility lease with Falcon Air Express, Inc. for Buildings 531 and 1087 located at 6416 S. Sossaman Road and on Taxiway Circle. The lease term is five months, commencing December 1, 2011, with monthly renewal options thereafter, payable at a monthly rate of \$3,294.74.

Narrative:

Falcon Air provides private aircraft charter services under contract to US Immigration and Customs Enforcement. They have been occupying Building 1090 on the Airport since October 2010. However, the building's scheduled demolition in January 2012 necessitates relocation to alternate facilities.

Agreement Term and Rate:

This agreement has a term of five months and offers monthly renewal option(s) thereafter. The term corresponds to Falcon Air's present contract for ICE support services which could be extended at ICE's discretion.

The initial "modified gross" lease rate is \$3,294.74 per month, or \$.52 per square foot per month for a combined total of approximately 6,118 square feet. The lease is subject to standard CPI rate increases/adjustments annually.

Attachment





RESOLUTION NO. 11-55

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 with Falcon Air Express;

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 facility lease with Falcon Air Express, Inc. for Buildings 531 and 1087 located at 6416 S. Sossaman Road and on Taxiway Circle. The lease term is five months, commencing December 1, 2011, with monthly renewal options thereafter, payable at a monthly rate of \$3,294.74. 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 21st day of November 2011.

ATTEST:

CLERK

CHAIR

APPROVED AS TO FORM:

ATTORNEY

Action Item

RESOLUTION NO. 11-56

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: Facility Lease – L-3 Communications Corporation
Date: November 21, 2011

Proposed Motion:

Approve Resolution No. 11-56 authorizing a facility lease with L-3 Communications Corporation for Suites 120 and 121 located at 5950 S. Sossaman Road. The lease term is one year, commencing December 1, 2011, with a single one-year renewal option, payable at a monthly rate of \$4,051.66.

Narrative:

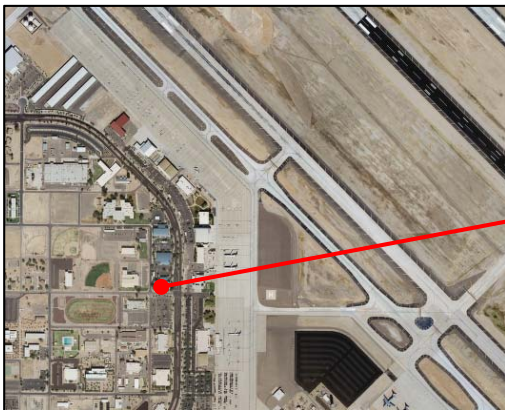
L-3 will occupy these suites for administrative support of US Government contract activities that previously were conducted within the former US Air Force Research Lab.

Agreement Term and Rate:

This agreement has an initial term of one year and offers a single one-year renewal term.

The initial “modified gross” lease rate is \$4,051.66 per month, or \$1.42 per square foot per month for a combined total of approximately 2,860 rentable square feet. If the renewal term is exercised, the monthly lease rate will increase to \$1.46 per square foot per month, or \$4,170.84.

Attachment





RESOLUTION NO. 11-56

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 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 authorizes a facility lease with L-3 Communications Corporation for Suites 120 and 121 located at 5950 S. Sossaman Road. The lease term is one year, commencing December 1, 2011, with a single one-year renewal option, payable at a monthly rate of \$4,051.66. 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 21st day of November 2011.

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. 11-57

To: Board of Directors
From: Lotus K. Williams, P.H.R., Manager - Human Resources
Through: Lynn F. Kusy, C.M., C.A.E., Executive Director
Re: Employee Benefits Package for 2012 – Willis of Arizona, Inc.
Date: October 24, 2011

Proposed Motion:

Approve Resolution No. 11-57 authorizing the Airport's insurance broker, Willis of Arizona, Inc., to purchase insurance (medical, dental, vision, employee assistance plan, basic life/accidental death and dismemberment, short-term disability and flexible spending account administration) from various vendors for plan year January 1 through December 31, 2012, at an estimated annual cost to the Airport Authority of \$872,923.

Narrative:

The Airport's benefit broker, Willis of Arizona, Inc. (Willis), received quotes from our current plan providers for the calendar year 2012 benefits for our 98 regular, full-time employees. Willis negotiated the best possible rate from each carrier and, in most cases, was able to negotiate increases within or substantially below national trends. We have **not** made any plan changes.

Cost of the benefits package for calendar year 2012 is estimated to be \$872,923 spread over the second half of the current fiscal year and the first half of fiscal year 2013. The employer's portion of this estimated cost is \$762,116 and the employees' portion is estimated at \$110,807. The employer's cost for the second half of the current fiscal year is anticipated to be \$381,058 compared to \$417,484 which was budgeted for this period.

Providing competitive benefits has been, and continues to be, a major retention and attraction tool in our recruiting efforts. In that regard, our objective is to maintain a high level of plan services and minimize costs. We considered plan benefit levels, cost to employees, and overall cost of the plans.

Attachments: Employee Benefits Package Recommendations Memorandum
2012 Executive Summary
2012 Employee Benefit Renewal and Marketing Presentation – Willis



RESOLUTION NO. 11-57

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 employee benefits for 2012;

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 Airport’s insurance broker, Willis of Arizona, Inc., to purchase insurance (medical, dental, vision, employee assistance plan, basic life/accidental death and dismemberment, short-term disability, and flexible spending account administration) from various vendors for plan year January 1 through December 31, 2012, at an estimated annual cost of \$872,923. This Resolution also authorizes the Chair or Executive Director to execute such contracts, 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 21st day of November 2011.

ATTEST:

CLERK

CHAIR

APPROVED AS TO FORM:

ATTORNEY



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

Memorandum

To: Lynn F. Kusy, Executive Director
From: Lotus K. Williams, Manager - Human Resources
Re: 2012 Employee Benefits Package Recommendations
Date: October 20, 2011

The Airport's benefit broker, Willis of Arizona, Inc. (Willis), received quotes from our current plan providers for calendar year 2012 benefits package and negotiated premium rate renewals. The medical, dental, and vision premium rates include the \$25,237 annual broker commission, which is paid separately. The following renewals are proposed effective January 1, 2012.

MEDICAL PLAN

The medical plan market trend is currently at 10 to 12 percent. The renewal premium rates for our current UnitedHealthcare plans were quoted at a 9 percent rate increase and negotiated to a 7 percent rate increase.

- Employer pays the medical premium for the employee coverage and 50 percent of the medical premium for dependents.
- The employee has the option to enroll in the PPO plan or the Health Savings Account (HSA) plan.
- To encourage continued and new enrollment in the Health Savings Account (HSA) plan, I recommend we continue to contribute \$750 of the \$1,500 deductible for employee only coverage and \$1,500 of the \$3,000 deductible for family coverage.
- I recommend remaining with UnitedHealthcare as our medical plan carrier, with no change in the plan designs. This will allow our medical plan to have grandfather status under the Health Care Reform Act.

2011 Current UnitedHealthcare Monthly Premium Rates - PPO Medical Plan			
Includes Commission	Single Rates	Employee +1 Rates	Family Rates
Employee Cost:	\$ 0	\$ 269.96	\$ 424.24
Employer Cost:	\$ 514.22	\$ 784.20	\$ 938.47
PPO Medical Total	\$ 514.22	\$ 1054.16	\$ 1362.71

2012 Recommended UnitedHealthcare Monthly Premium Rates - PPO Medical Plan			
Includes Commission	Single Rates	Employee +1 Rates	Family Rates
Employee Cost:	\$ 0	\$ 288.62	\$ 453.56
Employer Cost:	\$ 549.78	\$ 838.40	\$ 1003.34
PPO Medical Total	\$ 549.78	\$ 1127.02	\$ 1456.90

2011 Current UnitedHealthcare Monthly Premium Rates – HSA Medical Plan			
Includes Commission	Single Rates	Employee +1 Rates	Family Rates
Employee Cost:	\$ 0	\$ 223.14	\$ 350.66
Employer Cost:	\$ 425.05	\$ 648.19	\$ 775.71
HSA Medical Total	\$ 425.05	\$ 871.33	\$ 1126.37

2012 Recommended UnitedHealthcare Monthly Premium Rates – HSA Medical Plan			
Includes Commission	Single Rates	Employee +1 Rates	Family Rates
Employee Cost:	\$ 0	\$ 238.56	\$ 374.90
Employer Cost:	\$ 454.42	\$ 693.00	\$ 829.32
HSA Medical Total	\$ 454.42	\$ 931.56	\$ 1204.22

DENTAL PLAN

The renewal premium rate for our current United Concordia plan was quoted at a 5.6 percent rate increase and was negotiated to a 3 percent rate increase.

2011 Current United Concordia Monthly Premium Rates – Dental Plan			
Includes Commission	Single Rates	Employee +1 Rates	Family Rates
Employee Cost:	\$ 0	\$ 29.28	\$ 73.10
Employer Cost:	\$ 32.52	\$ 32.52	\$ 32.52
Dental Plan Total	\$ 32.52	\$ 61.80	\$ 105.62

2012 Recommended United Concordia Monthly Premium Rates – Dental Plan			
Includes Commission	Single Rates	Employee +1 Rates	Family Rates
Employee Cost:	\$ 0	\$ 30.12	\$ 75.20
Employer Cost:	\$ 33.48	\$ 33.48	\$ 33.48
Dental Plan Total	\$ 33.48	\$ 63.60	\$ 108.68

VISION PLAN

The renewal premium rate for our current Vision Service plan was quoted at a 0.2 percent rate increase and was negotiated to a pass on a rate increase.

2011 Current and 2012 Recommended Monthly Premium Rates - Vision Service Plan			
Includes Commission	Single Rates	Employee +1 Rates	Family Rates
Employee Cost:	\$ 0	\$ 4.04	\$ 14.32
Employer Cost:	\$ 8.94	\$ 8.94	\$ 8.94
Vision Plan Total	\$ 8.94	\$ 12.98	\$ 23.26

EMPLOYEE ASSISTANT PROGRAM (EAP)

Employee Assistance Program is currently with MHN. A current rate of \$1.95 per member per month is in the second year of a two-year rate guarantee.

CAFETERIA PLAN/FLEXIBLE SPENDING ACCOUNT (FSA)

BASIC is our current administrator of the Cafeteria/FSA Plan.

- The Cafeteria Plan allows eligible employees to pay for eligible benefit premiums with pre-tax contributions and to participate in Health Flexible Spending and Dependent Care Reimbursement FSA Accounts.
- There will be a \$750 renewal fee, with the monthly administration fee of \$5.25 per FSA participant per month. These costs have not changed and are consistent with our contract.

LIFE/ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) SHORT TERM DISABILITY (STD) INSURANCE

- The renewal premium rate for our MetLife Basic Life/AD&D plan was quoted at a 12.5 percent rate increase and was negotiated to a 4.2 percent rate increase and the MetLife Short Term Disability plan was quoted at a 9.2 percent decrease.
- I recommend remaining with MetLife for our Basic Life/AD&D and STD products, with no plan changes and remaining with the Voluntary Life/AD&D plan.

SUMMARY

Cost of the benefits package for calendar year 2012 is estimated to be \$872,923 spread over the second half of the current fiscal year and the first half of fiscal year 2013. Employer's portion of this estimated cost is \$762,116 and employee estimated portion is \$110,807. Employer's portion of this cost in the second half of the current fiscal year is anticipated to be \$381,058 compared to \$417,484 which was budgeted for this period.

The estimates in the summary paragraph do not include the \$25,237 annual broker commission that is included in the medical, dental, and vision plan premiums.

Providing competitive benefits has been, and continues to be, a major retention and attraction tool in our recruiting efforts. In that regard, our objective is to maintain a high level of plan services and minimize costs. We considered plan benefit levels, cost to employees, and overall cost of the plans.

PHOENIX-MESA GATEWAY AIRPORT AUTHORITY

Executive Summary

Willis of Arizona, Inc. is pleased to present the 2012 Renewal Proposal for Phoenix-Mesa Gateway Airport Authority (PMGAA). By partnering with your current insurance carriers and leveraging incumbent carrier consistency Willis of Arizona was able to deliver market competitive renewals for PMGAA for the 2012 Plan Year.

Medical Renewal - UnitedHealthcare

UnitedHealthcare (UHC) released a renewal of +9% sighting Medical Trend inflation and an increase in the age/sex factor as the core reasons for the proposed increase.

The UHC book of business trend number used in calculating the renewal is consistent with industry prevailing Medical Trend, which ranges between 10% and 12%. Industry, employee location and underlying plan design are factors that impact Trend. Insurance companies have decreased trend over the past 8 months in response to less than anticipated increases in utilization from 2011 Healthcare Reform Act (HCRA) mandates. In addition, carriers have taken a slightly more aggressive approach to the calculation of their block of business manual rate to ensure that HCRA Minimum Loss Ratio thresholds are appropriately managed, thus eliminating or reducing future rebate impact.

The age/sex factor for the current enrolled population increased from 1.244 to 1.334. There was also a reduction in the number dependents from 143 to 137. Both of these changes are common occurrences in today's economy as employee's age and rising costs push employees to find alternative coverage options for their dependents. PMGAA's Medical Plan Utilization was also consistent with the national average, with paid claims resulting from Office Visits (30%), Outpatient Care (23%), and Inpatient Care (21%). 72% of members utilized less than \$500 of healthcare in the most recent renewal calculation period. The only metric above benchmark was Pharmacy costs being 26% of total claims where benchmark is 16%.

Willis of Arizona successfully negotiated UHC's renewal of +9% to a +7% based on the expected and favorable utilization information combined with their ability to leverage their significant block of business with UHC. No benefit changes or options were requested from UHC for the new plan year.

Dental Renewal – United Concordia

The United Concordia (UCCI) Dental Plan was coming out of a two year rate guarantee. The initial renewal of +5.6% was released. Willis of Arizona was successful in negotiating UCCI's renewal of +5.6% to a +3% based on the declining loss ratio since the initial renewal was released and Willis of Arizona's block of business with UCCI.

Vision Renewal – Vision Service Plan

The Vision Service Plan (VSP) was coming out of a two year rate guarantee. The initial renewal of +0.2% was released sighting a trend increase due to the group size and being a part of a pooled product. However, Willis of Arizona was successful in negotiating VSP's renewal of +0.2% to a 0% increase based on Willis of Arizona's block of business with VSP.

Life/Accidental Death & Dismemberment (AD&D), Voluntary Life/AD&D and Short Term Disability (STD) Renewal – MetLife

MetLife released an initial renewal of +12.5% to the Life/AD&D plan. This percentage was successfully negotiated to a +4.2% and the MetLife plans as a whole were further offset by a -9.2% in the Short Term Disability plan, resulting in a net decrease of approximately \$613 annually to the in-force MetLife plans. Due to the group size, all underwriting was based on enrolled demographics compared to carrier book of business, thus Willis of Arizona's request to reduce the rates any further was declined by underwriting. The Supplemental Life rates remain unchanged.

Flexible Spending Account (FSA) Renewal – BASIC

The BASIC Flexible Spending Account (FSA) renewal will remain unchanged. The rates are guaranteed until December 31, 2012.

Employee Assistance Program (EAP) – MHN

The Employee Assistance Program (EAP) renewal will remain unchanged. The rates are guaranteed until December 31, 2012.

Action Item

RESOLUTION NO. 11-58

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: Facility Lease – Fabricating/Distributor, Inc.
Date: November 21, 2011

Proposed Motion:

Approve Resolution No. 11-58 authorizing a facility lease with Fabricating/Distributor, Inc. for Building 1095 located at 6316 S. Taxiway Circle. The lease term is five years, commencing January 1, 2012, payable at a monthly rate of \$14,872.

Narrative:

Fabricating/Distributor has been an Airport tenant since 1996. They perform metal (and other material) product fabrication, machine shop operations, sales and distribution. They are relocating from a smaller Airport Building 533 to a newer building to facilitate business expansion. FDI employs 27 people.

Agreement Term and Rate:

This agreement has a term of five years.

The initial “net-net” lease rate is \$14,872 per month (building maintenance provided), or approximately \$.43 per square foot per month for a total of 34,320 square feet. Owing to improvements constructed by Fabricating/Distributor during their occupancy of Building 533, they are being afforded a monthly rent credit of \$1,666.67 during the term. The lease will be subject to standard CPI rate increase/adjustment in year six if the lease is extended.

Attachment





PhxMesa **Gateway** Airport

RESOLUTION NO. 11-58

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 with Fabricating/Distributor, 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 facility lease with Fabricating/Distributor, Inc. for Building 1095 located at 6316 S. Taxiway Circle. The lease term is five years, commencing January 1, 2012, payable at a monthly rate of \$14,872. This Resolution also authorizes the Chair or Executive Director to execute such amendment, with such insertions, deletions, and changes as may be approved by the Chair or Executive Director, necessary to carry out the purposes and intent of this Resolution.

Passed and adopted by the Phoenix-Mesa Gateway Airport Authority this 21st day of November 2011.

ATTEST:

CLERK

CHAIR

APPROVED AS TO FORM:

ATTORNEY