

**NOTICE OF PUBLIC MEETING**  
**PHOENIX AVIATION ADVISORY BOARD**  
**\*\*\*REVISED AUG. 16, 2022\*\*\***  
**Item 13 title change**

Pursuant to A.R.S. Section 38-431.02, notice is hereby given to the members of the **PHOENIX AVIATION ADVISORY BOARD**, and to the general public, that the **PHOENIX AVIATION ADVISORY BOARD** will hold a meeting open to the public on **Thursday, August 18, 2022 at 3:00 p.m. via WebEx.**

**OPTIONS TO ACCESS THIS MEETING**

- **Call-in to listen to the meeting.** Dial 602-666-0783 and Enter Meeting ID 2469 637 5593# Press # again when prompted for attendee ID.
  
- **View the meeting as an attendee.** Click on this link at the time of the meeting and join the WebEx to listen and view presentations:

<https://cityofphoenix.webex.com/cityofphoenix/onstage/g.php?MTID=eafe3de99ac41b761a8d8cfe64b1d2198>

- **Speak during a meeting.** If you wish to provide a written comment or speak at the meeting, please submit a request to [pearl.meza@phoenix.gov](mailto:pearl.meza@phoenix.gov) with as much advance notice as possible to ensure there is sufficient time to distribute the written comments and provide information on how to participate. Requests to speak during the meetings may be taken as late as 10 a.m. on Thursday, August 18, 2022. The email should include your first and last name, email address, the item number(s) and whether you wish to speak.

Pursuant to Arizona Revised Statutes, Section 38-431.02B, notice is given that the Phoenix Aviation Advisory Board may vote to go into Executive Session, or Sessions, for discussion or consultation, for legal advice with the attorney or attorneys of the public body for any agenda items listed below, as authorized by Arizona Revised Statutes, Section 38-431.03 (A)(3) or for discussion of records and/or information that is exempted by law from public disclosure, as authorized by Arizona Revised Statutes, Section 38-431.03(A)(2). If authorized by a majority vote of the Phoenix Aviation Advisory Board, the Executive Session will be held immediately after the vote and will not be open to the public. If a decision is requested, the Phoenix Aviation Advisory Board may decide the matter in the public meeting or defer the decision to a later date. The agenda items that may be subject to an Executive Session pursuant to Arizona Revised Statutes, Sections 38-431.03 (A) (2) and 38-431.03 (A) (3) are as follows: Items 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, & 14

One or more board members may participate via teleconference. Agenda items may be taken out of order.

The agenda for the meeting is as follows:

## **CALL TO ORDER**

## **SUMMARY OF CURRENT EVENTS**

- 1. Summary of Current Events by the Director of Aviation Services**
- 2. Summary of Current Events by the Airline Station Manager**

## **MINUTES OF MEETING**

- 3. For Approval or Correction, the Minutes of the Phoenix Aviation Advisory Board Meeting on May 19, 2022**

## **INFORMATION ONLY (ITEM 4)**

### **4. Board Member Follow-up Requests**

This report provides the Phoenix Aviation Advisory Board an update on information requests from the May meeting (no staff presentation).

**THIS ITEM IS FOR INFORMATION ONLY.**

## **CONSENT ACTION (ITEMS 5-8)**

### **5. Amendment to Extend Term for Arizona Game & Fish Hangar Lease at Phoenix Deer Valley Airport**

This report requests that the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to amend State of Arizona Game & Fish Department Hangar Lease No. 128085 to extend the lease for three years with two, one-year options to extend at Phoenix Deer Valley Airport.

**THIS ITEM IS FOR CONSENT ACTION.**

### **6. Arizona Fueling Facilities Hydrant Fuel System Modification**

This report requests that the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to enter into a sale and purchase agreement and to amend the Hydrant Fueling Agreement Lease No. 57871-ARL with the Arizona Fueling Facilities Corporation Arizona Fueling Facilities for the modification of the fuel storage and hydrant fuel line system at Phoenix Sky Harbor International Airport.

**THIS ITEM IS FOR CONSENT ACTION.**

**7. Certificate of Insurance Monitoring Contract Award**

This report requests that the Phoenix Aviation Advisory Board recommend to the Transportation, Infrastructure and Planning Subcommittee to enter into a contract with Exigis, LLC to provide Certificate of Insurance monitoring for the Aviation Department.

**THIS ITEM IS FOR CONSENT ACTION.**

**8. Sky Train Bus Contingency – Qualified Vendor List Award**

This report requests that the Phoenix Aviation Advisory Board recommend to the Transportation, Infrastructure and Planning Subcommittee to award a Qualified Vendor List of approved companies to provide as-needed bus and driver services as part of Phoenix Sky Harbor International Airport's Sky Train® contingency plans.

**THIS ITEM IS FOR CONSENT ACTION.**

**DISCUSSION AND POSSIBLE ACTION (ITEMS 9-10)**

**9. Election of a New Chairperson for the Phoenix Aviation Advisory Board**

The Aviation Department forwards the recommendation made by the Phoenix Aviation Advisory Board Nominating Committee to elect Ms. Valencia Fisker to the position of Chairperson of the Board (Chairperson).

**THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.**

**10. Election of a New Vice-Chairperson for the Phoenix Aviation Advisory Board**

The Aviation Department forwards the recommendation made by the Phoenix Aviation Advisory Board Nominating Committee to elect Mr. Seth Scott to the position of Vice-Chairperson of the Board (Vice-Chairperson).

**THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.**

## **INFORMATION AND DISCUSSION (ITEMS 11-14)**

### **11. PHX Land Reuse Strategy Update**

This report provides the Phoenix Aviation Advisory Board an update on the PHX Land Reuse Strategy Oversight Taskforce.

**THIS ITEM IS FOR INFORMATION AND DISCUSSION.**

### **12. Airport Child Care Program Update**

This report provides the Phoenix Aviation Advisory Board an update on the Airport Child Care Program.

**THIS ITEM IS FOR INFORMATION AND DISCUSSION.**

### **13. Concessions Update**

This report provides the Phoenix Aviation Advisory Board an update on the concessions program at Phoenix Sky Harbor International Airport.

**THIS ITEM IS FOR INFORMATION AND DISCUSSION.**

### **14. Peer-to-Peer Car Sharing Update**

This report provides the Phoenix Aviation Advisory Board with an update on Peer-to-Peer car sharing business progress.

**THIS ITEM IS FOR INFORMATION AND DISCUSSION.**

## **ADVISORY BOARD INFORMATION AND FOLLOW-UP REQUESTS**

### **CALL TO THE PUBLIC**

This is the time for the public to comment. Members of the Board may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. Section 38-431.01(H), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism, or scheduling the matter for further consideration and decision at a later time.

### **ADJOURNMENT**

For further information, please call Pearl Meza, Management Assistant II, Aviation Department at 602-273-3382. For further documentation on this meeting, please visit [skyharbor.com](http://skyharbor.com).

Persons with a disability may request a reasonable accommodation, please contact Pearl Meza, Management Assistant II, Aviation Department at 602-273-3382. Or 7-1-1 friendly.

The next Phoenix Aviation Advisory Board meeting is scheduled to take place Thursday, September 15, 2022.



**PHOENIX AVIATION ADVISORY BOARD  
SUMMARY MINUTES  
May 19, 2022**

***Meeting held via WebEx***

Board Members Present

Stephanie Cherny – Chairperson  
Verma Pastor – Vice-Chairperson  
Ruben Alonzo  
Sandra Ferniza  
Valencia Fisker  
Brian Foster  
Ron Price  
Seth Scott

Camilo Henao – Ex-Officio

Staff Present

Chad Makovsky  
Jay DeWitt  
Carolina Potts  
Matt Heil  
Moe Yacut  
Pearl Meza  
Ola Lukan  
Karina Fitzgerald  
Cadle Collins  
Daver Malik  
Tom Sawyer  
Jordan Feld

Rebecca McCarthy  
Sarah Demory  
Alexandria Pierce  
Carl Cephas  
Michael Hughes  
Stephen Vital  
Annie Sleeper  
Cindy Lizarraga  
Kimberly Whetstone  
Clif Looper  
Gabriel Nevarez

Monica Gonzalez  
Jason Gitkin  
Kathleen Badillo  
Jelena Stevanovic  
Mike O’Shaughnessy  
Jennifer Holland  
Corrine Harbaugh  
Lawrence Hein  
Mario Paniagua  
Rebecca Godley  
Valerie Churchwell

Members of the Public Present

Xavier Gutierrez  
Marina Carpenter  
Nick Wood  
John Loverde  
Steve Martin  
Tom Karstetter  
Edward Pascual  
Joel Ericson  
Lillian Osborne  
Oz Wagner  
Ty Howard  
Scott Sikel

Abby Rummel  
Scott Summers  
Brandon Brown  
Karen Ratliff  
Bramley Paulin  
Jack McCain  
Canju Park  
Cody Lillich  
Craig Morgan  
Eliseo Ramirez  
Lori Richardson  
Vaughan Jones

Tony Cani  
Ken Cole  
James Deibler  
Gabee Mazza  
Irene Snyder  
James Terry  
Shane Allen  
John Davidson  
Kurt Mangum  
Mark Carlisle  
Tom Cornell  
Scott Nye

## **CALL TO ORDER**

Chairperson Cherny called the meeting to order at **3:00 p.m.**

## **SUMMARY OF CURRENT EVENTS**

### **1. Summary of Current Events from the Director of Aviation Services**

Mr. Chad Makovsky, Director of Aviation Services, updated the board on current events at the airport. March 2022 passenger levels finished at 4.3 million passengers, and he emphasized that enplanement numbers are closing the gap for April in early review.

The grand opening for Terminal 4 S1 has been announced. Mr. Makovsky stated staff are very excited for flights to begin on June 20.

Mr. Makovsky provided an update on the lease amendment with the Arizona Air National Guard, which was approved at the Transportation, Infrastructure & Planning Subcommittee, and will be going to the full Council on June 15.

The most recent job fair had 26 companies in attendance; nearly 90 were interviewed and over 50 were hired. The job fairs will continue monthly through the Summer.

Mr. Makovsky moved on to staff recognition, including Volunteer Appreciation Week, special recognition for a volunteer navigator, and to Sheldon Daisley in the Planning & Environmental Division for earning his AAAE accreditation.

Mr. Makovsky closed with thanks to the board for their support over the last year.

### **2. Summary of Current Events by the Airline Station Manager**

Mr. Camilo Henao, Airline Station Manager, did not have any updates for the board.

## **MINUTES OF MEETING**

### **3. For Approval or Correction, the Minutes of the Phoenix Aviation Advisory Board Meeting on April 21, 2022**

**A motion was made by Ms. Fisker, seconded by Mr. Foster that this item be approved.**

The motion carried by the following vote:

**Yes:** 7 – Mr. Alonzo, Ms. Fisker, Mr. Foster, Mr. Price, Mr. Scott, Vice-Chairperson Pastor, Chairperson Cherny

**No:** 0

#### **DISCUSSION AND POSSIBLE ACTION (ITEMS 4-5)**

#### **4. New Airport Lease Agreement with Idemia Identity & Security USA LLC at Phoenix Sky Harbor International Airport**

Mr. Jay DeWitt, Acting Assistant Aviation Director, presented. Mr. DeWitt provided an overview of Idemia Identity & Security USA, LLC, which has contracted with TSA in the past.

Mr. DeWitt explained that the contract term is for four years with four 1-year options to extend, for an aggregate contract amount of \$439,000.

**A motion was made by Ms. Pastor, seconded by Mr. Alonzo that this item be approved.**

The motion carried by the following vote:

**Yes:** 7 – Mr. Alonzo, Ms. Fisker, Mr. Foster, Mr. Price, Mr. Scott, Vice-Chairperson Pastor, Chairperson Cherny

**No:** 0

No public comment.

#### **5. Rental Car Center Food, Beverage and Retail Concession Award Recommendation**

Mr. Carl Cephas, Program Manager, presented. Mr. Cephas reviewed the timeline of the solicitation, which was published in November of 2021 and received three responses. All three were deemed to meet minimum qualifications.

The evaluation panel made a final selection on April 14, and staff posted the award notification on April 21. No protests were received.

Mr. Cephas displayed a diagram of the current concessions space at the Rental Car Center (RCC). This includes a counter area, seating space and a back-of-house space for office and storage purposes.

Mr. Cephas reviewed past performance of the current concessionaire's gross sales performance. Mr. Cephas continued that the second portion of the



solicitation includes vending units at seven predetermined locations throughout the RCC.

The goals of the solicitation focused on increased opportunity for local and small businesses, as well as provide a unique offering to customers at the airport. The evaluation panel identified TMG Services, LLC dba Phoenix Magazine Café and Market as the successful proposer. The contract will span a primary term of seven years with one 3-year option to extend, with a minimum annual guarantee (MAG) of \$40,000, or 10% of gross sales, whichever is greater.

Ms. Fisker asked whether the employee discount will be written into the agreement. Mr. Cephas stated this language has been solidified and they will offer a 20% discount through the duration of their agreement.

Mr. Foster asked whether this new agreement would improve service available to the customers at the RCC. Mr. Cephas answered that this proposal includes a broader range of menu items as well as more robust retail offerings. Mr. Foster asked for clarification on the investment. Mr. Cephas stated there is an initial investment of \$50 per square foot as a minimum as well as a mid-term investment of at least \$25 per square foot. TMG Services, LLC had proposed \$200,000 for the initial investment and \$27,350 for the mid-term refurbishment.

Ms. Pastor asked whether other concessionaires offer a similar employee discount. Mr. Cephas stated that other concessionaires do offer discounts, but the percentages vary.

Ms. Cherny asked whether the MAG was set with future financial trends in mind. Mr. Cephas answered that the MAG is established based on past performance along with other factors. The MAG was set at \$40,000 which eliminates the need for respondents to have to bid on a MAG.

**A motion was made by Mr. Foster, seconded by Mr. Alonzo that this item be approved.**

The motion carried by the following vote:

**Yes:** 7 – Mr. Alonzo, Ms. Fisker, Mr. Foster, Mr. Price, Mr. Scott, Vice-Chairperson Pastor, Chairperson Cherny

**No:** 0

No public comment.

## **INFORMATION AND DISCUSSION (ITEMS 6-8)**

## **6. Terminal 4 South 1 Concessions Kiosks Update**

Ms. Corrine Harbaugh, Aviation Superintendent, presented. Ms. Harbaugh provided background on the T4S1 development and the concessions solicitation, which was broken into two phases. The first phase is currently ongoing, and completion is expected to be complete by the end of the year.

Ms. Harbaugh shared renderings and concepts of the concession spaces. Temporary kiosk locations have been identified to serve passengers while construction is still underway.

No public comment.

## **7. Concessions Contract Hours Update at Phoenix Sky Harbor International Airport**

Ms. Corrine Harbaugh, Aviation Superintendent, presented. Ms. Harbaugh discussed the return of pre-pandemic enrollment levels and the subsequent need to meet service requirements for the traveling public.

Approximately 83% of concessions have reopened, however Ms. Harbaugh noted that this number does fluctuate as concessionaires continue to struggle with staffing.

Ms. Harbaugh stated that staff are collaborating with concessionaires to meet contract hours compliance and working to support their needs to return to regular operations, including efforts like the monthly job fairs hosted at the PHX Sky Train® 44th Street Station.

Mr. Foster asked why recovery of concessions has lagged behind passenger levels. Ms. Harbaugh stated that airport employers face more hurdles than typical employers, such as badging requirements and off-site parking.

Mr. Alonzo asked whether restrictive menu offerings have possibly impacted passengers. Ms. Harbaughs stated there are stipulations in the concessionaire agreements to provide variety, including vegetarian and other dietary-restriction options. She added that part of their desired goals and outcomes for concessions in the terminals includes providing passengers unique and broad dining options.

Mr. Scott asked about accountability measures after the deadline of June 1st if concessionaires are not compliant. Ms. Harbaugh stated that there are penalties if concessionaires do not meet contract hour requirements, including liquidated damage charges.

Mr. Henao voiced his appreciation or staff's continuous efforts to support concessionaires and meet the needs of the traveling public.

No public comment.

## **8. Tempe Entertainment District**

Mr. Jordan Feld, Deputy Aviation Director, presented. Mr. Feld introduced two consultants that staff have been working with to evaluate the Tempe Entertainment District (TED) proposal, Tom Cornell of L&B and David Dague of Arthur B. Little.

Mr. Feld reviewed concerns raised by the board during the most recent update on TED. First, he reviewed maps of the arrival and departure streams off the runways of PHX, including OEI height comparisons in relation to TED. Mr. Feld then shared a diagram of the current 65 DNL contour and existing residential development with this area which predated the PHX Part 150 Compatibility Study.

Next, Mr. Feld detailed runway delay impacts as a result of construction interfering with the OEI surface, with different potential demand levels projected for the future. These are estimated to have a negative economic impact spanning anywhere from \$2.8 million in 2024 to \$21 million by 2030.

Mr. Feld reiterated that all materials are available on the project website on [SkyHarbor.com/tempeentertainmentdistrict](http://SkyHarbor.com/tempeentertainmentdistrict).

Mr. Feld then turned the item over to Mr. Xavier Gutierrez to present.

Mr. Gutierrez thanked the team at Aviation for their collaboration and reiterated the dedication of the AZ Coyotes to being transparent throughout the length of development. Mr. Gutierrez emphasized that TED would meet all FAA requirements and they will not be seeking any special exceptions.

Mr. Gutierrez emphasized that the official noise exposure map last approved by the FAA is from 1999, and the current 65 DNL contour has not yet been approved. He also stated that it is their belief that construction cranes will not have an impact on airport operations, and the analysis conducted by Arthur B. Little exaggerates OEI penetrations of the construction cranes.

Mr. Gutierrez turned over the presentation to Mr. Nick Wood, of Snell & Wilmer.

Mr. Wood discussed details of the FAR Part 150 language as well as the 1994 inter-governmental agreement (IGA) between City of Phoenix and City of Tempe surrounding compatible land use and noise abatement. He continued that tenants of both business and residential spaces will be notified of the noise impact.

Mr. Wood turned the presentation over to Mr. John Loverde.

Mr. Loverde discussed the capacity to soundproof facilities within the 65 DNL contour and displayed projects that have achieved noise level reduction of approximately 15-20 decibels.

Mr. Loverde stated they have completed 64 projects in higher DNL areas and were successful in reducing noise impact.

Mr. Tom Karstetter, FAA Consultant, stated it is their belief that the crane analysis is incorrect, and the analysis conducted by the City exaggerates and fabricates impact to the airport. He continued that no cranes would protrude the OEI surface, and therefore there is no economic loss.

Mr. Karstetter referenced a study analysis showing cranes previously approved by the FAA. He stated there is no evidence in these examples of any delays due to crane construction.

Mr. Karstetter continued by emphasizing that the data shows negligible impact. Mr. Gutierrez closed their presentation by recognizing the importance of the Airport to the state of Arizona and their belief that TED would not impact the Airport.

Ms. Pastor asked to reserve questions for a later time in order to review the presentation more in-depth. Mr. Gutierrez stated they would be happy for future in-person or written correspondence.

Mr. Foster thanked all presenters and stated he may have written questions in the future.

Mr. Scott asked for clarification on the discussion surrounding the IGA and the details as to why Tempe and Phoenix entered into it. Ms. Carolina Potts, Assistant Chief Counsel, shared that the City entered into the IGA in response to proposed development of a third runway, and entering into the IGA preceded the events of the football stadium being built.

Mr. Makovsky commented that the developers have been very collaborative but disagreed with suggestions that staff's analysis fabricated impact to the Airport given staff relied on data provided by the developer to conduct their analysis. Mr. Makovsky also cited letters from airlines operating at PHX and referenced a letter from the FAA stating the proposed residential development is incompatible with Part 150 regulations.

Mr. Makovsky continued that complaints related to TED could impact the future of airport development and growth and have significant long-term consequences. He closed by stating they are still hopeful that collaboration can continue.

Ms. Sandra Ferniza joined at 4:17 p.m.

Mr. Wood responded by stating TED developers are very sensitive to potential impact to the Airport and have made changes to the proposed development in response to concerns from the airport. Mr. Wood also stated that information provided to the FAA and airlines by the airport is inaccurate.

Ms. Cherny reiterated the request to work more collaboratively and in good faith with City staff to ensure the groups can work in a productive dialogue.

No public comment.

### **ADVISORY BOARD INFORMATION AND FOLLOW-UP REQUESTS**

None.

### **CALL TO THE PUBLIC**

Mr. James Deibler stated he has been a resident of District 5 of Phoenix, Arizona. He recognized efforts of the Airport to ensure equal access for people with disabilities, and its work to prevent discrimination and stated his encouragement for the Airport to continue recovering from the COVID-19 pandemic.

### **ADJOURNMENT**

**A motion was made by Ms. Fisker, seconded by Ms. Pastor, that this item be approved.**

The motion carried by the following vote:

**Yes:** 8 – Mr. Alonzo, Ms. Ferniza, Ms. Fisker, Mr. Foster, Mr. Price, Mr. Scott, Vice-Chairperson Pastor, Chairperson Cherny

**No:** 0

No public comment.

Meeting end at **4:27 p.m.**

<b>PHOENIX AVIATION ADVISORY BOARD REPORT</b>	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, C.M. Director of Aviation Services
Subject:	Response to Board Follow-Up Requests

**Description**

This report provides the Phoenix Aviation Advisory Board an update on information requests related to the Tempe Entertainment District from the May meeting.

THIS ITEM IS FOR INFORMATION ONLY.

**Report Summary**

In May, the Arizona Coyotes presented on their proposed development in the City of Tempe. The presentation generated follow-up questions regarding the development, which are answered below:

Board Member Scott asked where the PHX Sky Train® crane was located during construction.

Staff shared that most of the PHX Sky Train® is not underneath the flightpath and therefore the various on-airport cranes used during construction were not either. However, portions of the current, final phase connecting the 24th Street Station to the Rental Car Center are under the flightpath. Crane operation was carefully coordinated with the FAA, airlines, and airport stakeholders as part of this construction.

Board Member Henao asked the Arizona Coyotes to address the long-term effects that the Tempe Entertainment District could have on Phoenix Sky Harbor, and in turn, the Valley.

Mr. Gutierrez with the Arizona Coyotes shared that “the combination of our reduced building heights and noise mitigation construction components - all in conformance with the provisions of 14 CFR 150 - will eliminate any and all short-term or long-term impacts on both Sky Harbor Airport and the Valley in general.”

**Location**

Phoenix Sky Harbor International Airport -- 2485 E Buckeye Road.

**Recommendation**

This item is for information only.

<b>PHOENIX AVIATION ADVISORY BOARD REPORT</b>	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, C.M. Director of Aviation Services
Subject:	Amendment to Extend Term for Arizona Game & Fish Hangar Lease at Phoenix Deer Valley Airport

**Description**

This report requests that the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to amend State of Arizona Game & Fish Department (AZG&F) Hangar Lease No. 128085 to extend the lease for three years with two, one-year options at Phoenix Deer Valley Airport (DVT).

THIS ITEM IS FOR CONSENT ACTION.

**Report Summary**

AZG&F is requesting an extension of their hangar lease for three years with two, one-year options at DVT. AZG&F has occupied the approximately 18,000 square foot hangar since 1998, where they maintain their aircraft.

**Contract Term**

The term will be three years with two one-year options to extend.

**Financial Impact**

Annual rent for the first year will be \$63,349 and is scheduled to escalate at 3% per year. Total revenue anticipated if all options are exercised over the term will be approximately \$336,329.

**Concurrence/Previous Board Action**

This item was recommended for approval by the Business and Development Subcommittee on August 4, 2022, by a vote of 3-0.

**Location**

Phoenix Deer Valley Airport - 702 W. Deer Valley Road.

**Recommendation**

Request the PAAB recommend to the Phoenix City Council to amend AZG&F Hangar Lease No. 128085 to extend the term for three years plus two one-year options.

<b>PHOENIX AVIATION ADVISORY BOARD REPORT</b>	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, C.M. Director of Aviation Services
Subject:	Arizona Fueling Facilities Hydrant Fuel System Modification

**Description**

This report requests that the Phoenix Aviation Advisory Board (PAAB) recommend to the Phoenix City Council to enter into a sale and purchase agreement and to amend the Hydrant Fueling Agreement Lease No. 57871-ARL with the Arizona Fueling Facilities Corporation Arizona Fueling Facilities (AFFC) for the modification of the fuel storage and hydrant fuel line system at Phoenix Sky Harbor International Airport.

THIS ITEM IS FOR CONSENT ACTION.

**Report Summary**

The AFFC is a consortium of airlines that operates under a ground lease for its piping system which allows the airlines to fuel their aircraft at the gates from hydrants tied to the system. The hydrant fueling system was extended to provide fueling service to eight new gates as part of the Terminal 4, S1 Concourse construction project.

**Procurement Information**

To accommodate the accelerated schedule for this project, the Aviation Department included the design and construction of the hydrant fuel line into its building contract. Following construction, the AFFC will reimburse the City for the new section of the pipeline.

**Financial Impact**

Following receipt of final payment, the Aviation Department will transfer pipeline ownership by a bill of sale. The Hydrant Fueling Lease Agreement will then be amended to reflect the addition to the system. The total cost for design and construction is approximately \$2.8 million.

**Concurrence/Previous Board Action**

This item was recommended for approval by the Business and Development Subcommittee on August 4, 2022, by a vote of 3-0.

**Location**

Phoenix Sky Harbor International Airport - 2485 E Buckeye Road.

**Recommendation**

Requests that the PAAB recommend to the Phoenix City Council to enter into a sale and purchase agreement and to amend the Hydrant Fueling Agreement Lease No. 57871-ARL with the Arizona Fueling Facilities Corporation for the modification of the fuel storage and hydrant fuel line system at Phoenix Sky Harbor International Airport.



<b>PHOENIX AVIATION ADVISORY BOARD REPORT</b>	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, C.M. Director of Aviation Services
Subject:	Certificate of Insurance Monitoring Contract Award

### **Description**

This report requests that the Phoenix Aviation Advisory Board (PAAB) recommend to the Transportation, Infrastructure and Planning Subcommittee (TIP) to enter into a contract with Exigis, LLC to provide Certificate of Insurance Monitoring for the Aviation Department.

THIS ITEM IS FOR CONSENT ACTION.

### **Report Summary**

This contract will provide online comprehensive insurance certificate monitoring and tracking services. Additionally, the services include maintenance and support. Exigis, LLC will host the web-based application and make it available to the City. Certificate of Insurance services include support for up to 500 contracts within the airport system that includes Sky Harbor International Airport, Deer Valley Airport, and Goodyear Airport. Staff will oversee the compliance of insurance for all contracts and vendors using the web-based application provided by Exigis, LLC.

### **Procurement Information**

A Request for Proposals (RFP) was issued in January 2022 seeking offers for a qualified Certificate of Insurance Monitoring proposer for a large hub primary airport. On March 4, 2022 two offers were received of which only one was responsive. The other proposer submitted their offer after the deadline and thus was deemed non-responsive. The responsive proposal was evaluated by an evaluation panel and the chosen proposer (Exigis) has been providing these services to the airport since 2017. The incumbent is in good standing with the City; therefore, the Aviation Department is recommending award to Exigis, LLC based on the consensus score:

- Exigis, LLC - 915 points.

### **Contract Term**

The term of the contract will begin on or about November 1, 2022. The term is for five years, with no options to extend, for an aggregate five-year contract term.

### **Financial Impact**

The total contract value will not exceed \$230,000. Funding is available in the Aviation Department's budget.

**Concurrence/Previous Board Action**

This item was recommended for approval by the Business and Development Subcommittee on August 4, 2022, by a vote of 3-0.

**Location**

Phoenix Sky Harbor International Airport - 2485 E Buckeye Road.

**Recommendation**

Request that the PAAB recommend to the TIP to enter into a contract with Exigis, LLC to provide Certificate of Insurance Monitoring for the Aviation Department.

<b>PHOENIX AVIATION ADVISORY BOARD REPORT</b>	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, C.M. Director of Aviation Services
Subject:	Sky Train Bus Contingency – Qualified Vendor List Award

**Description**

This report requests that the Phoenix Aviation Advisory Board (PAAB) recommend to the Transportation, Infrastructure and Planning Subcommittee to award a Qualified Vendor List (QVL) of approved companies to provide as-needed bus and driver services as part of Phoenix Sky Harbor International Airport’s PHX Sky Train® (Sky Train) contingency plans and other events.

THIS ITEM IS FOR CONSENT ACTION.

**Report Summary**

The Aviation Department issued RFP 02-225 on November 23, 2021. Response submittals were due on January 7, 2022. Aviation received one responsive proposal, however the cost submittal significantly exceeded the Department’s contingency plan scope of work and budget. As a result, the Department elected to cancel the RFP and issue RFQu 22-023 for as-needed passenger bus and driver services to support scheduled and unscheduled Sky Train interruptions and provide transportation for other special events.

Proposals were due on May 9, 2022 and the following companies were deemed responsive and qualified to be included on the QVL:

- Jet Limousines and Transportation, LLC
- Via Adventures, Inc.
- Tour West America, Inc.
- Industrial Bus Lines, Inc.

Staff plans to utilize this approved list to increase its bus and driver resources for transportation between airport facilities during a Sky Train emergency or other ad hoc events that require these services.

**Concurrence/Previous Board Action**

This item was recommended for approval by the Planning and Development Subcommittee on August 2, 2022, by a vote of 2-0.

**Location**

Phoenix Sky Harbor International Airport - 2485 East Buckeye Road.

**Recommendation**

This report requests that the PAAB recommend to the Transportation, Infrastructure and Planning Subcommittee to award a QVL of approved companies to provide as-needed bus and driver services.

<b>PHOENIX AVIATION ADVISORY BOARD REPORT</b>	
To:	Phoenix Aviation Advisory Board
From:	Chad Makovsky, C.M. Director of Aviation Services
Subject:	Election of a New Chairperson of the Board for the Phoenix Aviation Advisory Board

**Description**

The Aviation Department forwards the recommendation made by the Phoenix Aviation Advisory Board Nominating Committee to elect Ms. Valencia Fisker to the position of Chairperson of the Board.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

**Report Summary**

The Phoenix Aviation Advisory Board is required to annually elect one of its members to the position of Chairperson for a term of one year. The term of the current Chairperson, Ms. Stephanie Cherny, will expire on August 31, 2022. The next Chairperson would serve a one-year term beginning September 1, 2022 and ending August 31, 2023.

The Nominating Committee is the designated body that nominates and recommends a candidate for Chairperson from the Board’s current members. On June 14, 2022, the Nominating Committee recommended the Board elect Ms. Valencia Fisker to serve as Chairperson.

**Location**

City of Phoenix Aviation Department - 2485 E. Buckeye Road.

**Recommendation**

The Aviation Department forwards the recommendation made by the Phoenix Aviation Advisory Board Nominating Committee to elect Ms. Valencia Fisker to the position of Chairperson of the Board.

<b>PHOENIX AVIATION ADVISORY BOARD REPORT</b>	
To:	Phoenix Aviation Advisory Board
From:	Chad Makovsky, C.M. Director of Aviation Services
Subject:	Election of a New Vice-Chairperson of the Board for the Phoenix Aviation Advisory Board

**Description**

The Aviation Department forwards the recommendation made by the Phoenix Aviation Advisory Board Nominating Committee to elect Mr. Seth Scott to the position of Vice-Chairperson of the Board.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

**Report Summary**

The Phoenix Aviation Advisory Board is required to annually elect one of its members to the position of Vice-Chairperson for a term of one year. The term of the current Vice-Chairperson, Ms. Verma Pastor, will expire on August 31, 2022. The next Vice-Chairperson would serve a one-year term beginning September 1, 2022 and ending August 31, 2023.

The Nominating Committee is the designated body that nominates and recommends a candidate for Vice-Chairperson from the Board's current members. On June 14, 2022, the Nominating Committee recommended the Board elect Mr. Seth Scott to serve as Vice-Chairperson.

**Location**

City of Phoenix Aviation Department - 2485 E. Buckeye Road.

**Recommendation**

The Aviation Department forwards the recommendation made by the Phoenix Aviation Advisory Board Nominating Committee to elect Mr. Seth Scott to the position of Vice-Chairperson of the Board.

<b>PHOENIX AVIATION ADVISORY BOARD REPORT</b>	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, C.M. Director of Aviation Services
Subject:	Land Reuse Strategy Oversight Taskforce Update

**Description**

This report provides the Phoenix Aviation Advisory Board an update on the Land Reuse Strategy Taskforce.

THIS ITEM IS FOR INFORMATION AND DISCUSSION.

**Report Summary**

The growth of Phoenix Sky Harbor International Airport necessitated the acquisition of additional land west of the Airport to ensure noise compatibility with airport operations. The FAA requires airports plan for the redevelopment of acquired “noise land” to return the land to productive compatible uses to support the surrounding community. This redevelopment also serves to generate new non-aeronautical revenue streams to ensure the airport remains self-sustaining to support operations and future development requirements.

Beginning in 2015, staff worked with the community, city departments and other stakeholder groups to create a redevelopment plan for the land called the PHX Land Reuse Strategy (LRS). The LRS envisions new and vibrant uses for the land west of Phoenix Sky Harbor. This collaborative strategy identifies the best way to deliver economic benefits to both the community and the Airport.

To assist in guiding implementation of the LRS, in spring of 2021 City Manager Ed Zuercher created a Land Reuse Strategy Oversight Taskforce to provide community input on the process and make recommendations on redevelopment in the Land Reuse Strategy area.

Aviation staff and Taskforce co-chairs Courtney Carter and Eva Olivas will provide a presentation on the Land Reuse Strategy process to-date.

**Location**

Phoenix Sky Harbor International Airport - 2485 E. Buckeye Road

**Recommendation**

This item is for information and discussion.

<b>PHOENIX AVIATION ADVISORY BOARD REPORT</b>	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, C.M. Director of Aviation Services
Subject:	Airport Child Care Program Update

**Description**

This report provides the Phoenix Aviation Advisory Board an update on the Airport Child Care Program.

THIS ITEM IS FOR INFORMATION AND DISCUSSION.

**Report Summary**

As part of the city’s American Recovery Plan Act Strategic Plan, the City Council approved an allocation of \$5 million to fund childcare options for workers at Sky Harbor International Airport to reduce barriers to reentering the workforce.

The program includes \$4 million to provide financial assistance for airport workers seeking childcare, and \$1 million to assist in identifying and constructing a childcare facility for Airport workers.

On Aug. 2, the Aviation Department launched the airport worker childcare scholarship program. Additionally, staff has continued to look for a suitable site for a childcare facility to be operated by a third-party provider.

**Location**

Phoenix Sky Harbor International Airport - 2485 E. Buckeye Road

**Recommendation**

This item is for information and discussion.



<b>PHOENIX AVIATION ADVISORY BOARD REPORT</b>	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, C.M. Director of Aviation Services
Subject:	Concessions Update at Phoenix Sky Harbor International Airport

### **Description**

This report provides the Phoenix Aviation Advisory Board an update on the concessions program at Phoenix Sky Harbor International Airport.

THIS ITEM IS FOR INFORMATION AND DISCUSSION.

### **Report Summary**

The City of Phoenix has owned and operated the Phoenix Airport System as a self-supporting enterprise since 1967. Through the Aviation Department, the City manages several lines of airport business, associated revenues, expenses, and maintains credit to support financing the capital investments of a large-hub commercial airport.

The COVID-19 pandemic had a significant impact on airport activity levels and business in 2020 and 2021. Although passenger traffic has largely returned to 2019 enplanement levels, concession outlet hours have not returned to pre-pandemic levels. To meet passenger expectations, the return to contractual hours by June 1, 2022 was communicated both in person and in writing to all terminal concessionaires.

Terminal concessionaires have responded well to the recovery in passenger traffic, though staffing levels continue to be a challenge. As of July 2022, terminal food and beverage and retail concessions are 88 percent open, but normal operational hours remain impacted.

Aviation staff will present an overview of the concessions program's performance and discuss recent concession developments in greater detail.

### **Location**

Phoenix Sky Harbor International Airport – 2485 E Buckeye Road.

### **Recommendation**

This item is for information and discussion.

<b>PHOENIX AVIATION ADVISORY BOARD REPORT</b>	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, C.M. Director of Aviation Services
Subject:	Peer-to-Peer Car Sharing Update

### **Description**

This report provides the Phoenix Aviation Advisory Board with an update on the Peer-to-Peer car sharing business progress.

THIS ITEM IS FOR INFORMATION AND DISCUSSION.

### **Report Summary**

On February 17, 2022, the Phoenix Aviation Advisory Board was updated on the Peer-to-Peer car sharing industry, Arizona's legal framework, and Aviation's contracting approach and business models. This report provides an update on the progress in the contracting process with two peer-to-peer car sharing operators.

Aviation signed a license agreement with ANIHI Newco, LLC (dba. Avail) that commenced on February 20, 2022. Avail uses the off-airport parking business model with customers being transferred using off-airport parking shuttles. Avail has been operating for four full months at the airport.

Aviation also signed a license agreement with Turo Inc. (dba. Turo) that commenced on June 1, 2022. Turo uses the on-airport business model and conducts their operation in the East Economy Parking Lot. Turo recently submitted its first monthly operating report.

### **Financial Impact**

Aviation receives 10% of the operator's gross revenue per month for vehicle sharing transactions conducted at the Airport.

### **Location**

Phoenix Sky Harbor International Airport - 2485 East Buckeye Road.

### **Recommendation**

This item is for information and discussion.