

NOTICE OF PUBLIC MEETING PHOENIX AVIATION ADVISORY BOARD

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, September 21, 2023 at 3:00 p.m. located at the City of Phoenix Aviation Department, PAAB Conference Room, 2485 E. Buckeye Road, Phoenix, Arizona 85034, or via WebEx teleconference.**

OPTIONS TO ACCESS THIS MEETING:

- 1. Watch the meeting virtually using the WebEx link provided below.**

<https://cityofphoenix.webex.com/weblink/register/r09f46ca3cc40ef07c1c02019d3677ac5>

- 2. Call-in to listen to the meeting, dial 602-666-0783 and Enter Meeting ID 2634 302 0137# Press # again when prompted for attendee ID.**

Public Comment: If you wish to provide a written comment or speak at the meeting virtually or by phone, please submit a request to pearl.meza@phoenix.gov no later than 10 a.m. on Thursday, September 21, 2023. The email should include your first and last name, email address, the item number(s) and whether you would like your comment read into the record or if you wish to speak. Those who wish to attend in person may submit a request to speak by completing a speaker card at the registration desk at the beginning of the meeting.

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 3, 4, 5, & 6

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

MINUTES OF MEETING

2. For Approval or Correction, the Minutes of the Phoenix Aviation Advisory Board Meeting on August 17, 2023

DISCUSSION AND POSSIBLE ACTION (ITEM 3 - 6)

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

The Phoenix Aviation Advisory Board currently has a vacancy for the position of Vice-Chairperson. Per Article IV of the Bylaws and Rules of Procedure of the Phoenix Aviation Advisory Board, a vacancy for the position of Vice-Chairperson shall be filled for the unexpired term by a new election at the next regularly meeting of the Board.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

4. **New Ground Lease with Bandura & Sons, Inc.**

This report requests that the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to enter into a new ground lease with Bandura & Sons.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

5. **Hangar Lease Amendments with State of Arizona Department of Public Safety at Phoenix Sky Harbor International Airport**

This report requests that the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to amend Corporate Hangar Lease 142410 and Executive Hangar Lease 152019 with the State of Arizona Department of Public Safety at Phoenix Sky Harbor International Airport.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

6. **Airport Security Guard Services Contract Award**

The report requests the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to enter into contract(s) with Covenant Aviation Security, LLC and Universal Protection Security Systems, LP dba Allied Universal Security Services, to provide airport security guard services for the Aviation Department.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

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.

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, October 19, 2023.



**PHOENIX AVIATION ADVISORY BOARD
SUMMARY MINUTES
August 17, 2023
*Meeting held via WebEx***

Board Members Present

Valencia Fisker – Chairperson
Seth Scott – Vice-Chairperson
Ruben Alonzo
Stephanie Cherny
Andrew Cohn
Sandra Ferniza
Verma Pastor
Chad Makovsky – Ex-Officio

Board Members Absent

Ron Price

Staff Present

Abbe Slade
Andrew Durket
Ann Fusco
Bradley Hagen
Camilo Henao
Carolina Potts
Cindy Lizarraga
Clif Looper
Corrine Harbaugh
Daver Malik
Heather Shelbrack
Jay DeWitt
Jennifer Holland

Jordan Feld
Kimberly Whetstone
Marshall Kain
Mary Helen Martinez
Matthew Becker
Matthew Heil
Mike O'Shaughnessy
Michael Hughes
Moe Yacut
Pearl Meza
Prasan DeSilva
Richard Graham

Robert Hawes
Roxann Favors
Sarah Asta
Sarah Demory
Seyed Naghibzad
Shawna Larson
Tamra Ingersoll
Tom Sawyer
Tim Spahr
Tom Sawyer
Sean Larkin
Valerie Churchwell

Members of the Public Present

Chad West
Morningstar Bloom
Lillian Osborne
Michael Salerno
Jamie Hoffman
Kurt Mangum
Anthony Canechia

Ron Williams
Marcos Lopez
Josephine Torrez
Paul Wegerman
Bryan McCarthy
Lynn Fleming

Ian Wood
Nava Singam
Karen Ratliff
Teresa Dominguez
Gregory Torrez
Stephen Douglas

CALL TO ORDER

Chairperson Fisker called the meeting to order at **3:03 p.m.**

SUMMARY OF CURRENT EVENTS

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

Mr. Makovsky welcomed the board members back from the summer break and praised the Aviation field workers who have done a tremendous job keeping customers safe during the summer heat.

Mr. Makovsky then discussed Sky Harbor's passenger traffic for June. Despite experiencing year-over-year growth, June was just shy of reaching June 2019 passenger numbers. He also displayed a graph depicting monthly passenger traffic for the past four years. He noted that with the exception of June, every month this year has experienced record-breaking passenger traffic.

He then shared that for the fiscal year (FY) ending on June 30th, Sky Harbor finished with a record setting number of passengers, being over 3% more than the previous record.

He then discussed the ACI-NA report of the busiest airports worldwide. He also noted that Sky Harbor is the busiest three-runway commercial airport globally.

Mr. Makovsky then discussed Sky Harbor's revenues, which have continued to be very strong, coming out of the COVID-19 pandemic.

Mr. Makovsky then highlighted air service development and discussed how American is making new markets available from Phoenix and how they are also restarting previously canceled routes. He also noted the market addition of Tijuana and that this will be the first time this market has been served from the United States.

Mr. Makovsky also discussed how American will add daily route frequencies this fall to make Sky Harbor its fifth-largest hub.

He also noted that Canadian carrier Lynx is increasing weekly routes to Toronto to complement their current service to Calgary.

Mr. Makovsky then shared that the Aviation Department's Financial Management division was awarded the Achievement for Excellence in Financial Reporting

award. This award celebrates the Aviation Department's financial reporting and financial acumen.

Mr. Makovsky also noted other awards and recognition Sky Harbor recently received, including the Arizona Arts Attraction Honoree of the Year Award from the Arizona Lodging and Tourism Association. The award is being given for Sky Harbor's safety advancements, equity and accessibility, and its international travel options that expose Arizona to the global tourism market.

He also noted that Phoenix Magazine awarded Sky Harbor its "Best of the Valley" award for the completion of the Sky Train, and the ease of use for passengers.

Sky Harbor was also recognized by Travel Awaits for its easy layout, and by Radical Storage, which recognized the airport for its many food options.

Mr. Makovsky next discussed the Aviation Department's recent Dementia Friendly Workshop. The workshop provided education and resources for people traveling with loved ones with dementia. The workshop was very well attended and well-received.

Mr. Makovsky then provided an update on the department's new strategic plan kickoff event, and the work the department is doing to promote its new vision, mission and values.

He also welcomed the newest class of volunteer Navigators to Sky Harbor. This new class of Navigators increases the total number to over 350 people who volunteer throughout the airport.

Mr. Makovsky also recognized the recent promotions of Richard Graham as Business and Properties Deputy Director and Heather Shelbrack as Public Relations Deputy Director.

In conclusion, Mr. Makovsky recognized Mr. Brian Foster. Mr. Foster recently retired from serving on the Phoenix Aviation Advisory Board, who had served since 2018.

Ms. Fisker thanked Mr. Foster for his service.

Ms. Fisker asked if any airlines are making adjustments to protect passengers with the resurgence of COVID-19.

Mr. Makovsky stated that while the airport is monitoring the situation and follows guidance from the CDC and Maricopa County Department of Public Health, there has been no change to airport and airline procedures. He also noted that the

airport still adheres to strict cleaning protocols to maintain compliance with its Global Biorisk Advisory Council (GBAC) certification.

MINUTES OF MEETING

2. For Approval or Correction, the Minutes of the Phoenix Aviation Advisory Board Meeting on May 18, 2023

A motion was made by Ms. Cherny seconded by Mr. Alonzo that this item be approved.

No public comments.
The motion carried.

CONSENT ACTION (ITEMS 3-4)

3. Environmental Remediation Services

4. Airport Towing Services and Minor Auto Assistance Contract Award Request

A motion was made by Mr. Price, seconded by Ms. Cherny that consent items 3 - 4 be approved.

No public comments.
The motion carried.

DISCUSSION AND POSSIBLE ACTION (ITEM 5 - 9)

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

Ms. Lindy Fisker presented this item and recommended that Mr. Seth Scott be elected as the new Chairperson of the board.

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

No public comments.
The motion carried.

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

Ms. Lindy Fisker presented this item and recommended that Ms. Sandra Ferniza be elected as the new Vice-Chairperson of the board.

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

No public comments.
The motion carried.

7. Airport Financial Consulting Services

Mr. Andrew Durket presented this item. He discussed the current financial consulting services provided to the airport, and the specific benefits the airport receives from these services.

Additionally, he discussed the areas of airport finance, airport forecasting, and airport contract assistance that financial consultants provide and how having a third-party perspective provides additional transparency for the department's finances important for investors.

Mr. Durket provided the requirements of the new contract and an overview of the procurement process, including the proposals submitted.

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

No public comments.
The motion carried.

8. Terminal 4 South 1 Food and Beverage Concessions Phase II Award

Ms. Corrine Harbaugh presented this item. She began by providing an overview of the procurement process for the food and beverage solicitation within Terminal 4 South 1 (T4S1), and the evaluation criteria used to rate proposals.

She then discussed each of the three respondents and the two locations within T4S1 being proposed.

She also discussed the winning respondent, the proposed restaurant concepts, and the terms of the lease.

Mr. Cohn commented that he expects any concessionaire that plans to do business with the airport meet contractual requirements.

Mr. Alonzo affirmed Mr. Cohn's remarks and emphasized that he expects these new concessionaires to not limit menus in any way and serve all airport customers.

Ms. Cherny asked if the concerns raised by Mr. Cohn and Mr. Alonzo had been addressed in the contracts entered into by the concessionaires.

Ms. Harbaugh confirmed that they were.

A motion was made by Ms. Cherny, seconded by Mr. Cohn that this item be approved.

No public comments.
The motion carried.

9. Terminal 4 South 1 Retail Concessions Phase II Award Recommendation

Ms. Corrine Harbaugh presented this item. She began by providing an overview of the procurement process for the retail solicitation within T4S1, and the evaluation criteria used to rate proposals.

She continued with an introduction of each of the two respondents and the two locations within T4S1 that the solicitation encompassed. She also provided details on the winning respondent, the proposed retail concepts that will fill the two locations, and the contract terms of the solicitation.

Mr. Cohn expressed thanks for the concessions presentations and reiterated the importance that concessionaires adhere to contractual hours to serve airport staff, and the traveling public.

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

No public comments.
The motion carried.

ADVISORY BOARD INFORMATION AND FOLLOW-UP REQUESTS

CALL TO THE PUBLIC

Paul Wegerman provided public comment, noting that he was concerned about increased air traffic and noise due to flight training at Goodyear Airport. He indicated he

felt that United Aviate's operation at Goodyear Airport has been disruptive due to the extensive plane traffic, low altitude flying, and other flight practices he considered unsafe given he also is a pilot.

Bryan McCarthy also provided public comment. He stated that he found United Aviate operations disruptive and that planes fly too early and late in the day, and that noise from the aircraft used by United Aviate penetrates indoor spaces. Mr. McCarthy requested the PAAB support restricting flight activity at the airport and discuss a noise abatement policy and various other strategies to enhance the neighborhood's quality of life

ADJOURNMENT

Meeting end at **3:43 p.m.**

PHOENIX AVIATION ADVISORY BOARD REPORT	
To:	Phoenix Aviation Advisory Board
From:	Chad Makovsky, A.A.E. Director of Aviation Services
Subject:	Election of a New Vice-Chairperson of the Board for the Phoenix Aviation Advisory Board

Description

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.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

Report Summary

The Phoenix Aviation Advisory Board currently has a vacancy for the position of Vice-Chairperson. Per Article IV, Section 4.02 of the Bylaws and Rules of Procedure of the Phoenix Aviation Advisory Board, a vacancy for the position of Vice-Chairperson shall be filled for the unexpired term by a new election at the next regularly scheduled meeting of the Board.

The Aviation Department has placed this item on the agenda for the Board to discuss, and possibly act on election of a new Vice-Chairperson from the current membership of the Board.

Term of Office

A new Vice-Chairperson would serve a partial term to end on August 31, 2024.

PHOENIX AVIATION ADVISORY BOARD REPORT	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, A.A.E. Director of Aviation Services
Subject:	New Ground Lease with Bandura & Sons, Inc.

Description

This report requests that the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to enter into a new ground lease with Bandura & Sons, Inc. (Bandura) for 680 square feet located at 2933 E. Washington Street.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

Report Summary

Bandura & Sons, Inc., is requesting to enter into a ground lease on a parcel located at 2933 E. Washington Street for the purpose of temporary employee parking. Bandura & Sons is currently under a temporary license for parking which expires Jan. 1, 2024.

Contract Term

The term of the lease is for five years, with five one-year options to extend at the sole at sole discretion of the Director of Aviation Services.

Financial Impact

Rent will be approximately \$40 per month (\$0.70 / square foot). Total anticipated rent from this ground lease over the initial term will be approximately \$2,380.

Recommendation

Request the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to enter into a ground lease with Bandura & Sons, Inc., for five years with five one-year options to renew at Phoenix Sky Harbor International Airport.

PHOENIX AVIATION ADVISORY BOARD REPORT	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, A.A.E. Director of Aviation Services
Subject:	Hangar Lease Amendments with State of Arizona Department of Public Safety at Phoenix Sky Harbor International Airport

Description

This report requests that the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to amend Corporate Hangar Lease 142410 and Executive Hangar Lease 152019 with State of Arizona Department of Public Safety (DPS) at Phoenix Sky Harbor International Airport to extend the terms to January 31, 2026, with two one-year options to extend.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

Report Summary

The State of Arizona Department of Public Safety executed a Corporate Hangar Lease 142410 in July 2016, and an Executive Hangar Lease 152019 in March 2020. Lease 142410 ends in October 2024 and Lease 152019 ends in February 2024. DPS is requesting that the leases be extended to January 31, 2026, with two one-year options to extend. The hangars are used for the storage and maintenance of DPS's approved aircraft and for no other use or purpose without the consent of the Director of Aviation Services.

Contract Term

The amended lease term will be extended to January 31, 2026, with two one-year options to extend, to be exercised at the sole discretion of the Director of Aviation Services.

Financial Impact

Current rent for Lease 142410 is approximately \$143,965 per year, and rent for Lease 152019 is approximately \$17,663 per year. Combined annual rent is approximately \$161,628. Rent will be adjusted annually per the Phoenix-Mesa-Scottsdale Consumer Price Index or three percent, whichever is greater. The total anticipated revenue over the extension, if all options are exercised, will be approximately \$537,067.

Recommendation

Request the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to amend Corporate Hangar Lease 142410 and Executive Hangar Lease 152019 with the State of Arizona Department of Public Safety at Phoenix Sky Harbor International Airport to extend the terms to January 31, 2026, with two one-year options to extend.

PHOENIX AVIATION ADVISORY BOARD REPORT	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, A.A.E. Director of Aviation Services
Subject:	Airport Security Guard Services Contract Award

Description

The report requests the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to enter into contracts with Covenant Aviation Security, LLC and Universal Protection Security Systems, LP, dba Allied Universal Security Services, to provide airport security guard services for the Aviation Department.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

Report Summary

These contracts will provide licensed, unarmed uniformed security guards, equipment, supplies and supervision as necessary to provide high quality security services on an as-needed basis for Phoenix Sky Harbor International Airport, Phoenix Deer Valley Airport, and Goodyear Airport and their owned and maintained facilities.

Phoenix Sky Harbor is required by the Transportation Security Administration to maintain an approved Airport Security Plan that details its approach to security compliance. The security services provided by these contracts are an essential component of the airport's TSA-approved security plan.

Procurement Information

A procurement for security services was issued in accordance with City of Phoenix Administrative Regulation 3.10.

Four vendors submitted proposals and three proposals were deemed responsive and responsible. An evaluation committee reviewed the proposals based on the following criteria:

- Business and Operations Plan and Method of Approach
- Company Qualifications and Experience
- General Manager Qualifications and Experience
- Fee Schedule

After reaching consensus, the evaluation committee recommends award to the following vendors:

Group 1 - Airport Security Guard Services (Regulatory - Exterior)
Covenant Aviation Security, LLC

Group 2 - Airport Security Guard Services (Regulatory - Interior)
Universal Protection Security Systems, LP dba Allied Universal Security Services

Contract Term

The contracts will begin on or about Jan. 1, 2024, for a two-year term, with three one-year options to extend.

Financial Impact

The aggregate value of both contracts is anticipated to be \$45 million.

Recommendation

Request the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to award contracts with Covenant Aviation Security, LLC and Universal Protection Security Systems, LP, dba Allied Universal Security Services, to provide airport security guard services for the Aviation Department.