

**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, February 17, 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 2468 818 3812#. 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=ee7a060b5fbd2d9b8775405c7ff9bd714>

- **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 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, February 17, 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, and 8.

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 January 20, 2022**

CONSENT ACTION (ITEM 4)

4. **Eclat Countertops, LLC Ground Lease Amendment**

This report requests that the Phoenix Aviation Advisory Board recommend to the City Council to enter into a Ground Lease Amendment with Eclat Countertops, LLC to add 7,250 square feet at 3218 E. Jefferson Street, to the current two-year lease with two one-year options to extend.

THIS ITEM IS FOR CONSENT ACTION.

DISCUSSION AND POSSIBLE ACTION (ITEMS 5-8)

5. **Volunteer and Guest Services Management Contract Award Recommendation**

This report requests that the Phoenix Aviation Advisory Board recommend to the Transportation, Infrastructure and Planning Subcommittee to enter into a Volunteer and Guest Services Management contract with VIP Hospitality for a 2-year term plus three 1-year options.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

6. **Deer Valley Airport Restaurant Revenue Contract Solicitation Award Recommendation**

This report requests that the Phoenix Aviation Advisory Board recommend to the Transportation, Infrastructure, and Planning Subcommittee to enter into a Food and Beverage Concessions Lease with Kind Hospitality, Inc. at Phoenix Deer Valley Airport for seven years with one three-year option to extend, and, and to provide \$20,000 in funds and rent credits for new building equipment and repairs.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

7. CAMP Implementation Planning

This report requests that the Phoenix Aviation Advisory Board recommend to the Transportation, Infrastructure and Planning Subcommittee that the Aviation Department submit an updated Airport Layout Plan to the Federal Aviation Administration (FAA) for the Phoenix Sky Harbor International Airport Comprehensive Asset Management Plan (CAMP) based on recent CAMP implementation planning.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

INFORMATION AND DISCUSSION (ITEM 8)

8. Peer-to-Peer Car Sharing Business Model Update

This report provides the Phoenix Aviation Advisory Board an update on the Peer-to-Peer Car Sharing Business Model Pilot.

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.

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, March 17, 2022.



PHOENIX AVIATION ADVISORY BOARD
SUMMARY MINUTES
January 20, 2022
Meeting held via WebEx

Board Members Present

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

Board Members Absent

Camilo Henao – Ex-Officio

Staff Present

Chad Makovsky
Sarah Demory
Jay DeWitt
Carolina Potts
Lawrence Hein
Pearl Meza
Lexie Pierce
Annie Sleeper
Sarah Moratto
Clif Looper
Tom Sawyer

Matt Heil
Brandy Ryan
Amy Turner
Rebecca McCarthy
Craig Doyle
Heather Shelbrack
Ivy Silva
Jason Gitkin
Lisa Madison
Jennifer Holland
Valerie Churchwell

Julie Rodriguez
Moe Yacut
Corrine Ulmer
Gabriel Nevarez
Ira McCullough
Mike O’Shaughnessy
Janet Lee
Kimberly Whetstone
Richard Graham
Rosanna Benites
William Robinson

Members of the Public Present

Adam Bagby
Brian Anderson
Chris Gwilliam
Claude Mattox
Gonzalo de la Melena

Javier Villarreal
Joya Kizer
Karen Ratliff
Kim Poole
Lorena De Rodriguez
Matt Miller

Nina Madonia
Roderick McOwan
Scott Sikel
Debbie Hanlon

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. He began with welcoming and introducing the new board members; Sandra Ferniza, Ruben Alonzo, and Ron Price. Mr. Makovsky turned to a review of November passenger traffic levels, which exceeded both 2020 and 2019 levels at 3.9 million passengers. He noted that staff anticipate a decline in traffic due to the current surge of COVID-19 as a result of the omicron variant, but that travel is still expected to increase moving into February and March.

Mr. Makovsky briefly discussed the rollout of 5G cellular service and its potential for airline interference. Staff does not anticipate major impacts to airport operations, though PHX may serve as a diversion airport for other airports more heavily effected by 5G technology.

Mr. Cohn asked whether Phoenix-Mesa Gateway Airport is also impacted. Mr. Makovsky shared that no impacts have been anticipated for Phoenix-Mesa Gateway. He added that cellular carriers have agreed to suspend activation of towers closest to airports to mitigate potential impacts to airport operations nationwide.

Mr. Makovsky reviewed new air service at PHX, including new flights to Knoxville, Chicago Midway, and additional flights to London from American Airlines.

PHX will be hosting another job fair on February 15 in collaboration with approximately 30 different vendors, to be held at the 44th Street PHX Sky Train® station.

Mr. Makovsky shared that the United Aviate Academy will have its grand opening on January 27, 2022 at the Phoenix Goodyear Airport, with United Airlines CEO Scott Kirby.

The 2022 Virtual Aviation Business Summit will take place Feb. 22 to 23. This event is being held in partnership with the Equal Opportunity Department and will feature multiple workshops and networking sessions, and will highlight small business opportunities with the airport and other City departments.

Additionally, Mr. Makovsky noted Jan 9 was National Law Enforcement Day and expressed thanks for the support of law enforcement personnel in airport

operations, and discussed recent efforts from staff to show appreciation for their work.

2. Summary of Current Events by the Airline Station Manager

Mr. Camilo Henao, Airline Station Manager, was absent.

MINUTES OF MEETING

3. For Approval or Correction, the Minutes of the Phoenix Aviation Advisory Board Meeting on December 16, 2021

Chairperson Cherny submitted a correction on behalf of Mr. Henao for the minutes.

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

The motion carried by the following vote:

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

No: 0

Abstain: 2 – Ms. Ferniza, Mr. Price

DISCUSSION AND POSSIBLE ACTION (ITEMS 4-8)

4. Terminal 4 South 1 Concourse Food and Beverage Concessions Phase I Package I Award Recommendation

Mr. Prasan De Silva, Deputy Aviation Director of Business and Properties, and Michael Hughes, Deputy Aviation Director of Contracts and Services, presented. Mr. De Silva began the presentation by stating that Terminal concessions represent one of the most significant sources of revenue to the airport and is one of the most important amenities for our customers. He added that the success of PHX's concessions program is the result of collaboration with prime concessionaires, working with small businesses, and featuring local concepts.

Mr. De Silva reviewed the concessions procurements, the phasing of concessions packages, and shared the plan to use kiosks to serve passengers

until concepts are open in the new concourse. Mr. De Silva then turned the presentation over to Mr. Hughes.

Mr. Hughes reviewed the procurement, which was approved by City Council on March 17, 2021 and was later issued in May. He discussed the key goals of the solicitation, which were developed in collaboration with the department's concessions consultant and Aviation's Airport Consultant. Mr. Hughes explained that a diverse and experienced panel participated in the evaluation of the responses. Mr. Hughes also discussed the criteria used by the evaluation panel to select a successful respondent, which ultimately focused on providing the best overall value to the City.

He shared that two responsive responses were received for this package, and the evaluation panel recommended The Grove, Inc. to be awarded the contract. The Grove, Inc. consists of five sub-tenants, including multiple local concepts. Mr. Hughes added that two representatives from The Grove, Inc. were present on the call to provide comment.

Mr. Hughes highlighted elements of the proposal.

Mr. Cohn commented that a robust discussion took place on this item at the January Business and Development Subcommittee (BDSC) meeting, and that the subcommittee was satisfied with the results of this solicitation.

Chairperson Cherny turned the item over to public comment.

Ms. Nina Madonia of The Grove, Inc. stated that their organization is eager for this opportunity and they are very excited to work with PHX.

Mr. Gonzalo de la Melena highlighted the importance of adding a chicken-focused restaurant concept to diversify PHX concessions, and added that Chik-fil-A is excited to partner with The Grove, Inc.

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

The motion carried by the following vote:

Yes: 9 – Mr. Alonzo, Mr. Cohn, Ms. Ferniza, Ms. Fisker, Mr. Foster, Mr. Price, Mr. Scott, Vice-Chairperson Pastor, Chairperson Cherny

No: 0

5. Terminal 4 South 1 Concourse Food and Beverage Concessions Phase I Package 2 Award Recommendation

Mr. Prasan De Silva, Deputy Aviation Director of Business and Properties, and Michael Hughes, Deputy Aviation Director of Contracts and Services, presented. Mr. De Silva reviewed the Package 2 elements before turning the presentation to Mr. Hughes.

Mr. Hughes shared the solicitation goals utilized in Package 2, noting that Package 2 was small-business specific.

Of the three responses received, the evaluation panel identified Emerging Domestic Market Ventures, LLC as the successful respondent for its concept of SIP Coffee & Beer. Mr. Hughes stated that Gonzalo de la Melena, Founder & CEO of Emerging Domestic Market Ventures, LLC, would also be providing comment on this item. He also reviewed the elements of the proposal.

Chairperson Cherny turned the item over to public comment.

Mr. Gonzalo de la Melena thanked the City of Phoenix and Aviation leadership for creating a small business direct-lease program. He added that he is excited for a local concept to open in the airport.

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

The motion carried by the following vote:

Yes: 9 – Mr. Alonzo, Mr. Cohn, Ms. Ferniza, Ms. Fisker, Mr. Foster, Mr. Price, Mr. Scott, Vice-Chairperson Pastor, Chairperson Cherny

No: 0

6. Terminal 4 South 1 Concourse Retail Concessions Phase I Award Recommendation

Mr. Prasan De Silva, Deputy Aviation Director of Business and Properties, and Michael Hughes, Deputy Aviation Director of Contracts and Services, presented. Mr. De Silva started with an outline of where the retail concessions Phase I will be located in the Terminal 4 concourse, which will open in June 2022.

Mr. Hughes reviewed the key goals of the solicitation and the evaluation criteria. He added that a diverse and experienced panel participated in the evaluation of the responses.

Five responses were received, and the evaluation panel identified The Marshall Retail Group, LLC as the successful respondent. Mr. Hughes stated that Roderick McOwen was on the call to provide comment. He also reviewed the elements of the proposal.

Mr. Cohn commented that he was happy to see five responses to this package. He added that PHX has been very supportive of its business partners in the airport.

Vice-chairperson Pastor commented that she was happy to see small business competing in the solicitation process.

Chairperson Cherny turned the item over to public comment.

Mr. Roderick McOwen, representing The Marshal Retail Group, LLC, thanked the board and PHX for the opportunity and emphasized the importance of partnering with small and local businesses.

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

The motion carried by the following vote:

Yes: 9 – Mr. Alonzo, Mr. Cohn, Ms. Ferniza, Ms. Fisker, Mr. Foster, Mr. Price, Mr. Scott, Vice-Chairperson Pastor, Chairperson Cherny

No: 0

7. Terminal 4 South 1 Common-Use Airport Lounge Award Recommendation

Mr. Prasan De Silva, Deputy Aviation Director of Business and Properties, and Michael Hughes, Deputy Aviation Director of Contracts and Services, presented. Mr. De Silva reminded the board that the lounge solicitation was not broken into phases like the previously reviewed packages and displayed a rendering of the proposed lounge space.

Mr. Hughes stated that similar evaluation criteria as the previous packages were used in this solicitation and one of the key solicitation goals focused on creating a world class facility.

Mr. Hughes continued by stating that there were three responses submitted for this solicitation, and the evaluation panel recommended the award to AD Partnership dba Sapphire Lounge by the Club. He also reviewed the elements of the proposal.

Mr. Foster commented that he felt the proposal was very strong and commended staff for their work. Ms. Pastor agreed.

Chairperson Cherny turned the item over to public comment.

Mr. Chris Gwilliam of AD Partnership gave background on his organization and shared their excitement to build this relationship with PHX. He also stated they placed emphasis on working with local concepts and business partners in developing their proposal.

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

The motion carried by the following vote:

Yes: 9 – Mr. Alonzo, Mr. Cohn, Ms. Ferniza, Ms. Fisker, Mr. Foster, Mr. Price, Mr. Scott, Vice-Chairperson Pastor, Chairperson Cherny

No: 0

8. Deer Valley Airport Restaurant Revenue Contract Solicitation Award Recommendation

This item was requested to be continued.

A motion was made by Mr. Cohn, seconded by Ms. Fisker that this item be continued to the February 17, 2022 PAAB meeting.

The motion carried by the following vote:

Yes: 9 – Mr. Alonzo, Mr. Cohn, Ms. Ferniza, Ms. Fisker, Mr. Foster, Mr. Price, Mr. Scott, Vice-Chairperson Pastor, Chairperson Cherny

No: 0

No Public Comment.

INFORMATION AND DISCUSSION (ITEM 9)

9. Aviation Job Fair Update

Sarah Demory, Assistant Aviation Director, presented. Ms. Demory reviewed the job fairs held to date, noting that a variety of employers were present and held on-site interviews and granted several job offers. The badging office was also present to assist on-the-spot hires schedule appointments.

Ms. Demory noted that feedback for the most recent job fair was overwhelmingly positive and staff are looking forward to the next job fair on February 15, 2022. She highlighted the efforts of Public Relations and Business and Properties staff to ensure the success of these events.

Ms. Fisker asked if reports in the future will include how many offers were made as well as how many of those vacancies were actually filled at these job fairs. She shared concern for the continued return of travel while vacancies in staffing are still high. Ms. Demory stated that staff plan to continue holding monthly job fairs.

ADVISORY BOARD INFORMATION AND FOLLOW-UP REQUESTS

Ms. Fisker requested a follow up on agenda items 4–7 on whether they are approved by City Council as well as further information on the hiring success of the job fairs.

Mr. Cohn requested a follow-up on the Tempe Entertainment District as well as an introduction to the new staff in the City Manager’s Office.

CALL TO THE PUBLIC

None.

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: 9 – Mr. Alonzo, Mr. Cohn, Ms. Ferniza, Ms. Fisker, Mr. Foster, Mr. Price, Mr. Scott, Vice-Chairperson Pastor, Chairperson Cherny

No: 0

No Public Comment Cards.

Meeting end at **4:09 p.m.**

PHOENIX AVIATION ADVISORY BOARD REPORT	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, C.M. Director of Aviation Services
Subject:	Eclat Countertops, LLC Ground Lease Amendment

Description

This report requests that the Phoenix Aviation Advisory Board (PAAB) recommend to the City Council to enter into a Ground Lease Amendment with Eclat Countertops, LLC to add 7,250 square feet at 3218 E. Jefferson Street, Phoenix, Arizona to the current two-year lease with two one-year options to extend.

THIS ITEM IS FOR CONSENT ACTION.

Report Summary

Eclat Countertops, LLC (Tenant) is located at 13 S. 32nd Street. The tenant currently leases property at 3214 E. Jefferson Street for the purposes of storing granite and stone slabs as it relates to Tenant’s business. Tenant wishes to add the adjoining parcel located at 3218 E. Jefferson Street to the leasehold. In addition, they may install additional fencing to secure the site further.

Contract Term

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

Financial Impact

Rent for the first year of the amendment will be approximately \$7,612 per year (\$1.05 / square foot). Rent will be adjusted annually based on the Consumer Price Index (CPI) for Phoenix-Mesa-Scottsdale. Total anticipated rent from this amendment over the term, if all options are exercised, will be approximately \$30,450, not including CPI.

Location

Phoenix Sky Harbor International Airport - 3218 E. Jefferson Street.

Recommendation

Request PAAB recommend to the City Council to enter into a ground lease amendment adding an additional 7,250 square feet to the current ground lease agreement with Eclat Countertops.

PHOENIX AVIATION ADVISORY BOARD REPORT	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, C.M. Director of Aviation Services
Subject:	Volunteer and Guest Services Management Contract – Award Recommendation

Description

This report requests that the Phoenix Aviation Advisory Board (PAAB) recommend to the Transportation, Infrastructure and Planning Subcommittee (TIP) to enter into a Volunteer and Guest Services Management contract with VIP Hospitality for a 2-year term plus three 1-year options.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

Report Summary

Sky Harbor International Airport provides an extensive and well-regarded customer service program. To meet the needs of passengers, Sky Harbor relies on a combination of volunteer and contractor support. The proposed contract would provide both volunteer and guest services management to ensure a seamless passenger experience throughout the Airport.

Volunteer management includes support of the 450+ volunteer Navigator Program, which provides staffing for Airport information counters during business hours, and the Navigator Buddies pet therapy program. Staff oversee the Compassion Corner assisting passengers utilizing the Sensory Room, Chapel or needing special assistance. Staff assist stranded passengers, support the volunteer chaplain program and distribute Compassion Cacti lanyards for those special needs passengers who request them. They also support the Mayor’s Dementia Friendly PHX initiative.

Guest services management includes staffing the daily operation of information counters early mornings, nights and weekends when volunteer coverage is not available, and provides passenger assistance for international arrivals, staffs the Rental Car Center information counter and Aviation Headquarters Building reception, and administers other guest services programs, including a live music program.

Contract Term

The contract term is two years, with three one-year options to extend to be exercised at the sole discretion of the Director of Aviation Services.

Financial Impact

The total value of the contract will not exceed \$9.5 million over the five-year period or \$1.9 million annually. Funds are available in the Aviation Department’s operating budget.

Concurrence/Previous Board Action

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

Location

Phoenix Sky Harbor International Airport – 3400 E. Sky Harbor Blvd.

Recommendation

Request PAAB recommend that TIP recommend to the City Council to award the Volunteer & Guest Services Management contract to VIP Hospitality, LLC. t.

PHOENIX AVIATION ADVISORY BOARD REPORT	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, C.M. Director of Aviation Services
Subject:	Deer Valley Airport Restaurant Revenue Contract Solicitation Award Recommendation

Description

This report requests that the Phoenix Aviation Advisory Board (PAAB) recommend to the Transportation, Infrastructure, and Planning Subcommittee (TIP) to enter into a Food and Beverage Concessions Lease with Kind Hospitality, Inc. (Kind) at Phoenix Deer Valley Airport (DVT) for seven years with one three-year option to extend. Additionally, staff requests authorization to provide Kind \$20,000 to procure kitchen equipment for the DVT concession, which the City would otherwise need to repair, and reasonable rent credits to Kind Hospitality, Inc. to complete repairs to the building.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

Report Summary

On September 16, 2020, the Phoenix City Council authorized the Aviation Department (Aviation), to issue a Revenue Contract Solicitation (RCS) for a new Food and Beverage operator for the restaurant at Phoenix Deer Valley Airport.

In the RCS, the City anticipated repairing or replacing non-working kitchen fixtures at a total cost to the City not to exceed \$20,000, subject to City Council approval. Since issuance of the RCS, the existing kitchen fixtures have been determined to have little to no value. Subject to City Council approval, the City will provide \$20,000 to Kind to procure replacement fixtures. Title to the replacement equipment valued up to \$20,000, based on the City's valuation, will revert to the City at the end of the Lease term.

Additionally, the City has identified necessary building repairs to the DVT restaurant facility that will be required to operate. In exchange for reasonable rent credits, Kind has agreed to complete these repairs to the building, which may include underground plumbing and flooring repairs that the City would otherwise have to complete.

Procurement Information

The original RCS (21-002) was released on October 20, 2020, which produced no responses. RCS 22-001 was released on July 20, 2021. One response was received on the due date from Kind Hospitality, Inc., which was deemed responsive and responsible. On December 16, 2021, the evaluation panel met and evaluated the responsive Respondent based on the published evaluation criteria:

- Suitability of the Proposed Restaurant Concept and Design (350 points)
- Quality and suitability of menu items (250 points)
- Qualifications and experience (200 points)
- Amount of Remodel Investment (100 points)

- Proposed First Year Minimum Annual Guarantee (MAG) (100 points)

The Panel recommendation was reached by consensus in consideration of these criteria.

After a local and national outreach effort and a competitive RCS, Kind Hospitality, Inc. is recommended for award of the Deer Valley Airport Restaurant Concessions Lease, with 955 out of 1000 points for the submission.

The City Transparency Policy is in effect until the contract resulting from this RCS is awarded by City Council.

Contract Term

The term will be seven years, with one three-year option to extend, which shall be exercised at the sole discretion of the Director of Aviation Services.

Financial Impact

First year annual revenue will be \$92,001 (MAG) or percentage of gross sales, whichever is greater:

CATEGORY	PERCENT OF GROSS SALES
Food & Non-alcoholic Beverages	7%
Alcoholic Beverages	12%
Branded Merchandise	5%

The City will also provide \$20,000 to procure equipment for the Deer Valley Airport Restaurant kitchen and reasonable rent credits for building repairs. Funds are available in the Aviation Department’s budget.

Concurrence/Previous Board Action

This item, excluding the funding request for procuring equipment and reasonable rent credits for building repairs, was recommended for approval by the Business and Development Subcommittee on January 4, 2022, by a vote of 3-0.

Public Outreach

This solicitation process included all standard and required outreach efforts, including advertising in Aviation industry publications.

Location

Phoenix Deer Valley Airport, 702 W. Deer Valley Road

Recommendation

Request PAAB recommend approval to TIP to enter a concessions lease with Kind Hospitality, Inc. for seven years with one three-year option to extend, and to authorize \$20,000 for the procurement of equipment for the Deer Valley Airport Restaurant kitchen and reasonable rent credits for building repairs.

PHOENIX AVIATION ADVISORY BOARD REPORT	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, C.M. Director of Aviation Services
Subject:	CAMP Implementation Planning

Description

This report requests that the Phoenix Aviation Advisory Board (PAAB) recommend to the Transportation, Infrastructure and Planning Subcommittee (TIP) that the Aviation Department submit an updated Airport Layout Plan to the Federal Aviation Administration (FAA) for the Phoenix Sky Harbor International Airport (PHX) Comprehensive Asset Management Plan (CAMP) as needed based on recent CAMP implementation planning.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

Report Summary

Since CAMP was adopted in 2019, significant progress has been made towards regulatory approvals, grants, programming, and negotiations with strategic stakeholders such as Union Pacific Railroad, Honeywell, and Air National Guard. Unforeseen events such as COVID-19 have affected various aspects of both aero- and non-aeronautical demand. This report will discuss CAMP progress, including current needs and priorities for guiding future development of the airport.

Concurrence/Previous Board Action

The Planning & Development Subcommittee reviewed the request February 1, 2022 and recommended approval to the Board.

Public Outreach

Various technical stakeholders, including the FAA, Air National Guard and carriers have been engaged in the update process.

Location

Phoenix Sky Harbor International Airport - 3400 E Sky Harbor Blvd

Recommendation

Request PAAB recommend to TIP that the Aviation Department submit an updated Airport Layout Plan to the Federal Aviation Administration (FAA) for the Phoenix Sky Harbor International Airport (PHX) Comprehensive Asset Management Plan (CAMP) as needed based on recent CAMP implementation planning.

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

Description

This report provides the Phoenix Aviation Advisory Board an update on the Peer-to-Peer Car Sharing Business Model Pilot.

THIS ITEM IS FOR INFORMATION AND DISCUSSION.

Report Summary

On April 9, 2021, Arizona Senate Bill 1720 (SB 1720) was amended to include Peer-to-Peer car sharing. Per SB 1720, Peer-to-Peer car sharing means “the authorized use of a shared vehicle by an individual other than the shared vehicle owner through a Peer-to-Peer car sharing program.”

A Peer-to-Peer Car Sharing Business Model must be sustainable and scalable for all companies within the industry and provide mutual incentives for both parties involved. AVN Parking Services is working with industry representatives operating in Arizona, starting with those that have requested to operate at PHX.

A pilot program structure is being evaluated for a six-month period with month-to-month extensions at the sole discretion of the Director of Aviation Services. The pilot will address:

- Locations
 - On-airport and off-airport agreements
- Fees and Revenue Structure
 - Percentage of revenue for both agreements
 - For on-airport agreements, parking fees apply
 - For off-airport agreements, ground transportation trip fees apply
- Monthly reporting and auditing
- Enforcement of shared vehicle use at designated locations

AVN sent agreements to two interested candidates and is identifying other candidates.

Location

Phoenix Sky Harbor International Airport - 3400 E Sky Harbor Blvd