

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, March 16, 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/cityofphoenix/onstage/g.php?MTID=eeb7e90f3aa68b1fa3ae64a4b680cd794>

- 2. Call-in to listen to the meeting, dial 602-666-0783 and Enter Meeting ID 2465 608 5368# Press # again when prompted for attendee ID.**

- 3. Attend the meeting in-person at the Aviation Headquarters.**

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, March 16, 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 4, 5, 6, 7, 8, 9, &10

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 19, 2023**

INFORMATION ONLY (ITEM 4)

4. **Vehicles Parking Along State Route 202 & Sky Harbor Boulevard.**

This report provides the Phoenix Aviation Advisory Board an update on vehicles parking along State Route 202 into Phoenix Sky Harbor Airport.

CONSENT ACTION (ITEMS 5-8)

5. **Tal Wi Wi Ranch Water Distribution System Maintenance and Operation Services**

This report requests that the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to enter into a contract with Blue World Construction, Inc. to provide water distribution system maintenance and operation services for the Tal Wi Wi Ranch site.

THIS ITEM IS FOR CONSENT ACTION.

6. **Mesa Airlines Hangar Ground Lease Extension**

This report requests that the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to amend Ground Lease Agreement No. 134356 with Mesa Airlines, Inc. at Phoenix Sky Harbor International Airport to extend the lease to December 31, 2027, with three one-year options to extend the term.

THIS ITEM IS FOR CONSENT ACTION.

7. Civil Air Patrol Lease Extension Amendment

This report requests that the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to execute an amendment with the Civil Air Patrol at Phoenix Deer Valley Airport to extend the lease for five years with two one-year options to extend the term.

THIS ITEM IS FOR CONSENT ACTION.

8. DV Parcel B Owner, LLC (dba Mack Industries) License for Road Construction

This report requests that the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to enter into a perpetual license agreement with DV Parcel B Owner, LLC (dba Mack Industries) at Phoenix Deer Valley Airport.

THIS ITEM IS FOR CONSENT ACTION.

INFORMATION AND DISCUSSION (ITEMS 9-10)

9. 2023 Super Bowl LVII Recap

This report provides the Phoenix Aviation Advisory Board with a recap of operations and business activities during Super Bowl LVII.

THIS ITEM IS FOR INFORMATION AND DISCUSSION.

10. Quarterly Revenue, Enplanements, and Business Activity Update

This report provides the Phoenix Aviation Advisory Board with an update on the Aviation Department's recent revenue, enplanements, and business activity.

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, April 20, 2023.



**PHOENIX AVIATION ADVISORY BOARD
SUMMARY MINUTES
January 19, 2023**

Meeting held via WebEx

Board Members Present

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

Board Members Absent

Camilo Henao – Ex-Officio
Ron Price
Verma Pastor

Staff Present

Abbe Slade
Alexandria Pierce
Anne Kurtenbach
Corrine Harbaugh
Greg Roybal
Jason Gitkin
Jay DeWitt
Jennifer Maples
Jordan Feld
John Ojeda
Julie Rodriguez
Kevin Eyster

Kimberly Whetstone
Kirsten Middelhave
Kyle Brack
Marshall Kain
Mary Helen Martinez
Matthew Becker
Matthew Heil
Michael Hughes
Michael O'Shaughnessy
Moe Yacut
Monica Gonzalez
Pearl Meza

Prasan De Silva
Richard Graham
Roxann Favors
Sarah Asta
Sarah Demory
Sarah Moratto
Shawna Larson
Sonja Costello
Tim Spahr
Tom Sawyer
Valerie Churchwell
William Robinson

Members of the Public Present

Lilly Osborne
Carmen Ronan
Claude Mattox
Crystal Garcia
Gerald Green
Oscar De Las Salas

Joel Ericson
Karen Ratliff
Jay Silverberg
Martha Abbot
Michael Salerno

CALL TO ORDER

Chairperson Fisker called the meeting to order at **3:01 p.m.**

SUMMARY OF CURRENT EVENTS

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

Mr. Makovsky welcomed the board members and provided a summary of current events. He noted an increase in general operations and cargo tonnage at Sky Harbor, as well as an increase in routes operated by Frontier, and the addition of service to Monterrey, Mexico by American Airlines.

He also reviewed the service disruption that affected Southwest Airlines at Sky Harbor and throughout the country during the holiday season.

Additionally, he discussed the system outage of the FAA's Notice to Air Mission (NOTAM) system and related ground stop, which impacted service at Sky Harbor. Sky Harbor experienced about sixty-five flight cancellations and four hundred delays due to this interruption.

He also shared that on March 16, Aviation is hosting its annual Aviation Business Summit. The Summit provides current and prospective businesses the opportunity to network with Aviation and city staff and learn about bidding on procurements and doing business with the city.

Mr. Makovsky concluded by highlighting the PHX Blue Campaign, a human trafficking awareness initiative aimed at educating people to recognize the behaviors of people being trafficked and traffickers.

2. Summary of Current Events by the Airline Station Manager

Mr. Henao was not present

MINUTES OF MEETING

3. For Approval or Correction, the Minutes of the Phoenix Aviation Advisory Board Meeting on December 15, 2022

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

No public comments.
The motion carried.

CONSENT ACTION (Items 4-5)

4. Cutter Phoenix Aviation, Inc Ground Lease

5. Residential Lot Cleaning Contract Request for Proposal 23-015

A motion was made by Mr. Scott, seconded by Mr. Alonzo that consent items 4 and 5 be approved.

No public comments.

The motion carried.

DISCUSSION AND POSSIBLE ACTION (ITEMS 6)

6. Concessions Consulting Services Request to Issue Request for Proposal

Ms. Corrine Ulmer presented this item. Ms. Ulmer discussed the value of consulting services in assisting the Aviation Department with review of concessions package solicitations, identifying and mitigating risks in relation to contracts, and assisting with outreach around contracting opportunities.

Ms. Ulmer noted that the Request for Proposal is broken down to two individual packages. Package A would cover financial feasibility analysis, sales and revenue projections, leasable space planning, and competitive solicitation development, while Package B includes concession master planning, concession program strategy, identifying industry trends, and terminal renovation, airport expansion, and tenant operations.

Ms. Ulmer provided an overview of the contract terms, the minimum qualifications necessary for a potential contractor to be considered, and proposal evaluation criteria.

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

No public comments.

The motion carried.

INFORMATION AND DISCUSSION (ITEMS 7-9)

7. CAMP Update – Terminal 4 Hotel

Mr. Jordan Feld provided an overview of the latest CAMP update and the construction of a hotel at Terminal 4 through a public-private partnership. He discussed the scope of the project, work conducted on the preliminary planning for the hotel, research conducted on the market for a terminal hotel, and hotel examples from other airports.

Mr. Feld also discussed next steps in the process, including work to further refine the hotel room count and facilities based on construction estimates and business needs, coordinate with the FAA on regulatory compliance, and subsequently issue a procurement, ideally towards the end of 2023.

Ms. Cherny asked if the conceptual location of the hotel has moved from the previously planned hotel location of the far west side.

Mr. Feld confirmed that the conceptual location has changed along with the ideal market for the hotel.

Ms. Cherny asked if all the hotels Mr. Feld presented were comparable hotels located at an airport as opposed to a hotel near an airport.

Mr. Feld confirmed the example hotels were all on airport property.

Mr. Cohn asked whether a structure for a hotel deal had been prepared or whether this presentation was to strictly present the strategic plan for a hotel.

Mr. Feld responded that this presentation was simply presentation on the concept and planning to-date. As the project proceeds Mr. Feld said that the deal structure would include a ground lease with a developer to operate the facility.

No public comments.

8. Badging Office Update and Process Improvements

Ms. Sarah Demory presented this item. She began by reviewing the Aviation Department's current badging operation and facility. She noted that the current facilities do not promote the level of customer service that the Aviation Department wants new and prospective employees to experience as their first impression of Sky Harbor.

She also discussed badging staff's work with security consultants to improve processes, update technology, increase staffing, enhance training, and develop the design for a new facility.

Mr. Jay DeWitt then presented on the new proposed location for the Badging Office at Terminal 3. The proposed space is along the southeast end of the terminal, in an unused concession space. He noted that locating badging in the terminal would improve the ease of access for employees and provide a better waiting environment.

Ms. Cherny asked if the proposed location is where Habit Burger is currently and if there is a plan to add more concessions space within the terminal.

Mr. DeWitt responded that there is a concurrent project happening which will move the Terminal 3 TSA exit portal to the west allowing more space for concessions.

Mr. Makovsky added that moving the Badging Office to Terminal 3 helps business partners and all badged employees due to the convenient location. Additionally, the move from the Operations building is critical to the plans to develop the airport to the west, realign Sky Harbor Boulevard, and make room for other operational uses.

Chairperson Fisker asked when the new office would be open.

Mr. DeWitt responded that a contractor is currently being on-boarded and the space should be operational later this year.

No public comments.

9. PHX Sky Train Activation

Mr. Jay DeWitt presented this item. He discussed the need to balance demands on airport facilities so that the roadways, terminals, and airfield capacity can be maximized. To increase efficiency for passengers and relieve roadway congestion, the PHX Sky Train was built.

Ms. Anne Kurtenbach then presented on the PHX Sky Train and the new 2.5 mile route extension which connects to the Rental Car Center and the new 24th Street Station and adjacent parking facility. She also discussed the air quality benefits from the removal of shuttle buses on the roadway, sustainability features incorporated into the facilities during Sky Train construction, and public art like the terrazzo tile floors that were created as part of the project. She also noted that the project received the Envision Gold award for its many green construction components.

Ms. Sarah Demory then presented on the activation of Sky Train Phase II and the project Operational Readiness, Activation and Transition (ORAT) process. This rigorous process is completed before the full hand-off to the Operations team and begins sixty to ninety days before activation. The process looks at and documents all the tasks to need to occur to host a successful launch and maintain full operation.

No public comments.

ADVISORY BOARD INFORMATION AND FOLLOW-UP REQUESTS

Vice-Chair Scott requested an update on Super Bowl staffing numbers from concessionaires.

Vice-Chair Scott requested an update on enforcement related to safety concerns where the 202 merges with Sky Harbor Blvd.

CALL TO THE PUBLIC

No public comment.

ADJOURNMENT

Meeting end at **3:47 p.m.**

PHOENIX AVIATION ADVISORY BOARD REPORT	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, C.M. Director of Aviation Services
Subject:	Vehicles Parking Along State Route 202 & Sky Harbor Boulevard

Description

At the Jan. 19, 2023, Phoenix Aviation Advisory Board Meeting Vice-Chair Scott requested an update on enforcement related to vehicles parking along the State Route 202 access road where it merges with Sky Harbor Boulevard. This report provides the Phoenix Aviation Advisory Board an update on vehicles parking along the State Route 202 into Phoenix Sky Harbor Airport.

THIS ITEM IS FOR INFORMATION ONLY.

Report Summary

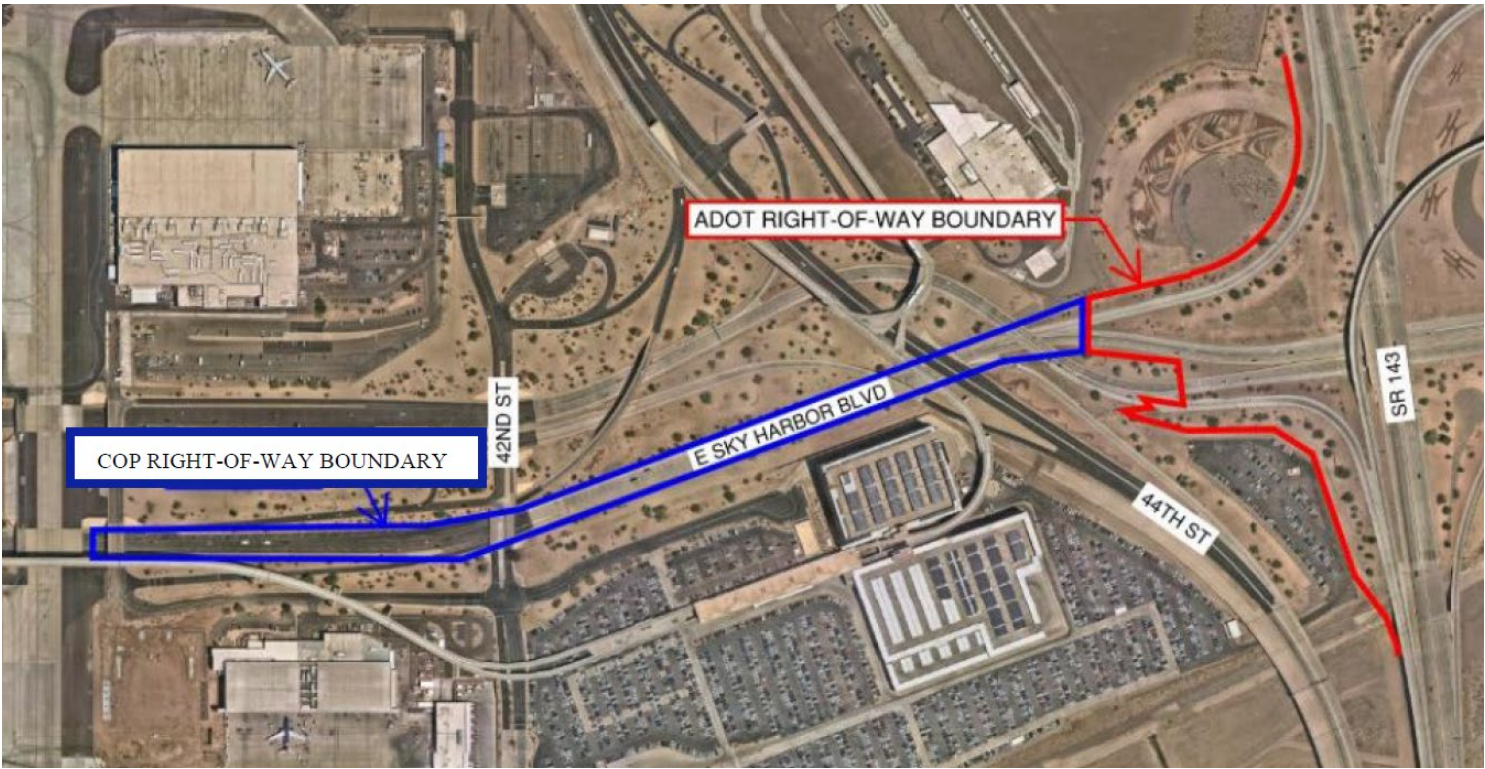
The entrance to Phoenix Sky Harbor International Airport from the east valley is composed of ramps from State Route 202 (SR202) and State Route 143 (SR143). These Arizona Department of Transportation (ADOT)-controlled access highways have emergency lanes which are being illegally used for parking by drivers waiting to pick up travelers from Sky Harbor.

On Monday, Jan. 23, 2023 Aviation Operations Staff and Aviation Police met with staff from the Department of Public Safety (DPS) and ADOT to discuss the issues of vehicles parking in the emergency lanes on the east entrance into the airport. The ADOT and DPS team recommended “No Parking, Stopping or Standing” signs be installed along the ADOT right-of-way with applicable City Code on the sign for enforcement. They also recommended additional cell phone lot signage in the area and on the ADOT right-of-way.

The Aviation team will work with ADOT to review and add additional cell phone lot signs and “No Parking, Stopping or Standing” signs along the Aviation right-of-way, and add Phoenix City Code to the signs. A follow-up meeting is being scheduled to review mock signs for this signage recommendation on March 6, 2023. Aviation Operations and Aviation Police will continue to monitor this area and assist ADOT and DPS with keeping it clear of standing vehicles.

Attachment A shows a map of the ADOT right of way and easements for the area. DPS is responsible for traffic control and collision investigations. Aviation Police and Aviation Operations are responsible for traffic control on the City of Phoenix right-of-way and have staff patrolling this area throughout the day.

Attachment A-map



PHOENIX AVIATION ADVISORY BOARD REPORT	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, C.M. Director of Aviation Services
Subject:	Tal Wi Wi Ranch Water Distribution System Maintenance and Operation Services

Description

This report requests that the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to enter into a contract with Blue World Construction, Inc. to provide water distribution system maintenance and operation services for the Tal Wi Wi Ranch site.

THIS ITEM IS FOR CONSENT ACTION.

Report Summary

The Aviation Department acquired the former Tal Wi Wi Ranch in 2000 to protect Luke Air Force Base's airspace. The property is approximately 872 acres in size and is located north of Luke Air Force Base, outside Phoenix city limits. The Aviation Department installed equipment for a water distribution system, including a potable water tank and monitoring and pump equipment. The water distribution system provides water to fewer than 25 people at six residential and office locations at Tal Wi Wi. The Tal Wi Wi water distribution system does not meet the definition of a public water system under the Safe Drinking Water Act, 42 U.S.C. §§ 300f, et seq.

The contract awarded from the RFP process requires a water distribution system operator, who is licensed by the Arizona Department of Environmental Quality, to perform operating and maintenance tasks associated with the Tal Wi Wi Ranch water system. The Tal Wi Wi Ranch site is currently being leased to G Farms for farming operations. The contractor will coordinate activities with the lessee's contracted water hauler to maintain reliable water supply and water quality at the Tal Wi Wi Ranch site. The tasks include maintenance of chlorination equipment and monitors, troubleshooting call-outs to sites, replacement of non-capital equipment, minor repair of capital equipment, and checking nitrates and chlorine levels for public safety.

Procurement Information

Request for Proposal 23-014 (Tal Wi Wi Ranch Water Distribution System Maintenance and Operation Services) was conducted in accordance with the City's Solicitation Transparency Policy per City Code, Chapter 43, Section 43-36. One responsive and responsible proposal was submitted on Jan. 5, 2023. The proposal was evaluated by a panel according to the following 1000-point evaluation criteria:

Firm Experience and Qualifications	0-350
Method of Approach	0-300
Staff Experience and Qualifications	0-200
Pricing	0-150
Total Available Points	1000 Points Maximum

The evaluation panel scored Blue World Construction, Inc. 865 points through a consensus scoring process.

Contract Term

The term of the contract will be three years with two, one-year options to extend the term, which may be exercised by the Director of Aviation Services or his designee.

Financial Impact

The total estimated cost is approximately \$500,000 over the life of the contract. Annual amounts may vary depending on the need to replace equipment.

Location

9801 N. Litchfield Road, El Mirage, Arizona.

Concurrence/Previous Board Action

This item was recommended for approval by the Business and Development Subcommittee on March 2, 2023 by a vote of 3-0.

Recommendation

This report requests that the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to enter into a contract with Blue World Construction, Inc. to provide water distribution system maintenance and operation services for the Tal Wi Wi Ranch site.

PHOENIX AVIATION ADVISORY BOARD REPORT	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, C.M. Director of Aviation Services
Subject:	Mesa Airlines Hangar Ground Lease Extension

Description

This report requests that the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to amend Ground Lease Agreement No. 134356 with Mesa Airlines, Inc. at Phoenix Sky Harbor International Airport to extend the lease to Dec. 31, 2027, with three one-year options to extend the term.

THIS ITEM IS FOR CONSENT ACTION.

Report Summary

Mesa has leased a corporate hangar and contiguous ramp space at Sky Harbor under the current ground lease since 2012. The ground lease is on its final extension, and is scheduled to expire on Sept. 30, 2023. Mesa uses the hangar and ramp space for maintenance of their fleet of regional jets.

Mesa currently flies regional jets through Sky Harbor on routes for American Airlines, but the air carriers are winding down their operations relationship within the next year. Mesa has entered into a new partnership contract with United Airlines to use its regional aircraft fleet and local pilot crew base to operate regional flight service on behalf of United Airlines. Mesa has asked to extend the lease to Dec. 31, 2027, with three, one-year options to extend.

Contract Term

The term will be extended four years, expiring Dec. 31, 2027, with three one-year options to extend that may be exercised at the sole discretion of the Director of Aviation Services.

Financial Impact

Annual rent for the first year of the extension for the hangar and apron will be approximately \$414,879 and will be adjusted per the Phoenix-Mesa-Scottsdale CPI at the beginning of the calendar year for each year of the extension. Anticipated rent over the four-year extension period will be \$1,659,517.

Location

Phoenix Sky Harbor International Airport – 2485 E. Buckeye Road

Concurrence/Previous Board Action

This item was recommended for approval by the Business and Development Subcommittee on March 2, 2023, by a vote of 3-0.

Recommendation

Request the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to amend Ground Lease Agreement No 134356 with Mesa at PHX to extend the lease to December 31, 2027, with three one-year options to extend the term.

PHOENIX AVIATION ADVISORY BOARD REPORT	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, C.M. Director of Aviation Services
Subject:	Civil Air Patrol Lease Extension Amendment

Description

This report requests that the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to execute an amendment with the Civil Air Patrol at Phoenix Deer Valley Airport to extend the lease for five years with two one-year options to extend the term.

THIS ITEM IS FOR CONSENT ACTION.

Report Summary

The Civil Air Patrol leases a corporate hangar at Deer Valley Airport of approximately 6,000 square feet under terms of Corporate Hangar Lease Agreement No. 136822. The Civil Air Patrol is a non-profit United States Air Force Auxiliary which provides aviation-related education and flight training to local youth and adults and assists federal and state authorities in event of local and national emergencies. The Civil Air Patrol uses the hangar facility for its non-profit and non-commercial activities in support of aerial search and rescue missions, humanitarian aid services, and a cadet program which introduces cadets to aviation.

The Civil Air Patrol has been a tenant at Deer Valley Airport since 1989 and leases the hangar facility for one dollar per year in recognition of its unique status as a not-for-profit military auxiliary aviation organization, and due to the benefits it provides to the airport and aviation community.

The Civil Air Patrol has requested to extend its lease for five years, with two one-year options to extend the term.

Contract Term

The term will be for five years, with two one-year options to extend. The amendment will include a provision to extend the term for an additional five years if the Civil Air Patrol invests a minimum of \$1 million dollars to improve and expand its hangar.

Financial Impact

Rent for the lease will remain at one dollar per year, which is consistent with the rent the Civil Air Patrol pays at the not-for-profit organization's other airport locations in Arizona. Total rent under the maximum term of the lease will be twelve dollars.

Concurrence/Previous Board Action

This item was recommended for approval by the Business and Development Subcommittee on March 2, 2023 by a vote of 3-0.

Location

Phoenix Deer Valley Airport – 702 W. Deer Valley Road, Phoenix, Arizona.

Recommendation

Request the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to amend the Corporate Hangar Lease with the Civil Air Patrol to extend the lease for five years with two one-year options to renew.

PHOENIX AVIATION ADVISORY BOARD REPORT	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, C.M. Director of Aviation Services
Subject:	DV Parcel B Owner, LLC (dba Mack Industries) License for Road Construction

Description

This report requests that the Phoenix Aviation Advisory Board recommend to the Phoenix City Council to enter into a perpetual license agreement with DV Parcel B Owner, LLC (dba Mack Industries) at Phoenix Deer Valley Airport.

THIS ITEM IS CONSENT ACTION.

Report Summary

Mack Industries and its affiliates purchased former state trust land north of Deer Valley Airport where they are constructing an industrial warehouse complex. Mack Industries' property is bisected by a corridor of airport-owned land that is intended for the construction of a road to connect Airport Drive, which is maintained by the airport, with East Pinnacle Peak Road to the north.

Mack Industries has requested to construct and maintain a road on the corridor at its expense to provide access to its industrial tenants. The road will be designed to conform to City of Phoenix Street Transportation standards, and will include curb, gutter, sidewalks, and drainage. In exchange for constructing the improvements, the city will provide the land for the road at no charge under a perpetual license agreement. The road will not be exclusive and will be available for public use to include airport tenants.

Contract Term

The term will include no expiration date, but the license can be cancelled by either party with notice.

Financial Impact

There is no rent associated with this license agreement.

Concurrence/Previous Board Action

This item was recommended for approval by the Business and Development Subcommittee on March 2, 2023 by a vote of 3-0.

Location

Phoenix Deer Valley Airport - 702 W. Deer Valley Road

Recommendation

Request the Phoenix Aviation Advisory Board recommend that the Phoenix City Council enter into a perpetual license agreement with DV Parcel B Owner, LLC (dba Mack Industries).

PHOENIX AVIATION ADVISORY BOARD REPORT	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, C.M. Director of Aviation Services
Subject:	2023 Super Bowl LVII Recap

Description

This report provides the Phoenix Aviation Advisory Board with a recap for operations and business activities during Super Bowl LVII.

THIS ITEM IS FOR INFORMATION AND DISCUSSION

Report Summary

Monday, February 13, marked a milestone day for America's Friendliest Airport as more than 200,000 visitors came through Phoenix Sky Harbor International Airport. Super Bowl LVII was a great success for the Aviation Department in every way. Planning efforts began more than a year ago as staff worked closely with airlines, the Transportation Security Administration, Federal Aviation Administration, law enforcement, concessionaires, and the Super Bowl Host Committee to prepare. The Aviation Department was able to transport a record number of passengers in a single day, the busiest day in Sky Harbor's history.

Location

Phoenix Sky Harbor International Airport – 2485 E. Buckeye Road

Recommendation

This item is for information and discussion.

PHOENIX AVIATION ADVISORY BOARD REPORT	
To:	Phoenix Aviation Advisory Board
From:	Chad R. Makovsky, C.M. Director of Aviation Services
Subject:	Quarterly Revenue, Enplanements, and Business Activity Update

Description

This report provides an update of the Aviation Department's recent revenue, enplanements, and business activity to the Phoenix Aviation Advisory Board.

THIS ITEM IS FOR INFORMATION AND DISCUSSION.

Report Summary

The City of Phoenix has owned and operated the city's 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.

Although the impacts of the COVID-19 pandemic on Sky Harbor and the larger aviation industry were significant, Sky Harbor has experienced strong resiliency in demand from passengers and strong financial results. In fact, throughout the pandemic, Sky Harbor has been one of the best performing airports in the country and, starting in the latter half of 2022, has been consistently trending above 2019 enplanement levels which was a record year for the airport.

As passenger enplanements have increased, so too have other revenues that are affected by that demand such as parking, concessions and rental car sales. Parking revenue, concessions and rental car sales all experienced large jumps in growth and demand during 2022.

The overall trends in growth for enplanements and revenues have led to strong financial performance at Sky Harbor.

At the Board's meeting on March 16, staff will present an overview of Sky Harbor's recent enplanement results, business activity, and an update on the Aviation Department's financial position.

Location

Phoenix Sky Harbor International Airport – 2485 E. Buckeye Road

Recommendation

This item is for information and discussion.