

**NOTICE OF PUBLIC MEETING
PHOENIX AVIATION ADVISORY BOARD
PLANNING AND DEVELOPMENT SUBCOMMITTEE**

Pursuant to A.R.S. Section 38-431.02, notice is hereby given to the members of the **PHOENIX AVIATION ADVISORY BOARD, PLANNING AND DEVELOPMENT SUBCOMMITTEE** and to the general public, that the **PLANNING AND DEVELOPMENT SUBCOMMITTEE** will hold a meeting open to the public on **Tuesday, January 2, 2024 at 2:30 p.m. located at the City of Phoenix Aviation Department, 3 North Conference Room, 2485 E. Buckeye Road, Phoenix, Arizona 85034, or via WebEx teleconference.**

Meeting Attendance Options:

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

<https://cityofphoenix.webex.com/cityofphoenix/j.php?MTID=m4d3ff0e5739ece1665be03d1d9df4084>

- **Call-in to listen to the meeting**, dial 602-666-0783 and Enter Meeting ID 2632 789 7929#. Press # again when prompted for attendee ID.
- **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 Tuesday, January 2, 2024. 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.

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

MINUTES OF MEETING

1. **For Approval or Correction, the Minutes of the Planning and Development Subcommittee Meeting on August 1, 2023.**

DISCUSSION AND POSSIBLE ACTION (ITEM 2)

2. Taxi Services Contract Extension

This report requests that the Planning and Development Subcommittee recommend to the Phoenix Aviation Advisory Board to extend the current airport terminal taxi services contracts for an additional two years to provide continuous, on-demand taxi services at Phoenix Sky Harbor International Airport.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

INFORMATION AND DISCUSSION (ITEMS 3 - 6)

3. Arizona State University Economic Impact Study Update

This report provides the Planning and Development Subcommittee information on the Arizona State University Economic Impact Study Update.

THIS ITEM IS FOR INFORMATION AND DISCUSSION.

4. RAISE Grant Update

This report provides the Planning and Development Subcommittee an update on the status of a recent RAISE Grant award.

THIS ITEM IS FOR INFORMATION AND DISCUSSION.

5. Sky Harbor Center Development Update

This report provides the Planning and Development Subcommittee an update on planned development activity within Sky Harbor Center.

THIS ITEM IS FOR INFORMATION AND DISCUSSION.

6. Phoenix Sky Harbor International Airport – Construction Update

This report provides the Planning and Development Subcommittee an update on current notable construction projects including Crossfield Taxiway U and the Terminal 3 North 2 Concourse project.

THIS ITEM IS FOR INFORMATION AND DISCUSSION.

SUBCOMMITTEE INFORMATION AND FOLLOW-UP REQUESTS

CALL TO THE PUBLIC

This is the time for the public to comment. Members of the Subcommittee 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 Planning and Development Subcommittee meeting is scheduled to take place Tuesday, April 2, 2024



**PHOENIX AVIATION ADVISORY BOARD
PLANNING & DEVELOPMENT SUBCOMMITTEE
SUMMARY MINUTES**

August 1, 2023

Meeting held via WebEx

Subcommittee Members Present

Ron Price - Chairperson
Ruben Alonzo
Verma Pastor

Staff Present

Abbe Slade	Jason Gitkin	Michael Hughes
Andrew Durket	Jay DeWitt	Michael O'Shaughnessy
Carolina Potts	Jennifer Maples	Moe Yacut
Chad Makovsky	Jordan Feld	Pearl Meza
Chris Baranowski	Knut Herrmann	Roxann Favors
Cindy Lizarraga	Latasha Crawford McLaughlin	Sarah Demory
Gabe Nevarez	Marshall Kain	Shawna Larson
Heather Shelbrack	Matthew Heil	Tom Sawyer

Members of the Public Present

Karen Ratliff
Mark Carlisle
Scott Sikel

CALL TO ORDER

Chairperson Price called the meeting to order at **2:30 p.m.**

MINUTES OF MEETING

- 1. For Approval or Correction, the Minutes of the Planning and Development Subcommittee Meeting on November 1, 2023.**

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

No public comments.
The motion carried.

DISCUSSION AND POSSIBLE ACTION (ITEMS 2-3)

2. Airport Towing Service and Minor Auto Assistance Contract Award

Mr. Michael O'Shaughnessy presented this item. He provided an overview of the scope of services provided by this contract.

He then described the contract solicitation process and the proposed scope of the new contract including specific services provided outside of towing.

Mr. O'Shaughnessy shared information about the four respondents. There was a significant price differential between the winning bid and the other three respondents. He explained that the winning bid, also the incumbent, understood the demands of the contract better than the others, thus was able to create a bid that was more in line with needed services.

Ms. Pastor asked why the bid disparity was so wide?

Mr. O'Shaughnessy replied that staff believed the disparity was due to the incumbent having a better understanding of the work entailed in the contract and was able to use its experience from the past as a pathway to providing a winning bid.

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

No public comments.
The motion carried.

3. Environmental Remediation Services

Mr. Jordan Feld presented this item. He provided background on the contamination caused from a Honeywell underground storage tank on the north side of the airport, and the current efforts being done by Honeywell to remediate the contamination. He also provided a broad scope of how the site contamination is monitored and the process by which remediation occurs.

Mr. Feld then explained that remediation is expected to last for another five to ten years, and that the airport currently contracts with a third-party vendor to review and monitor the system that Honeywell uses for the remediation process.

He continued by discussing Aviation's evaluation process for choosing a third-party vendor and stated that the incumbent was the company recommended to continue the remediation oversight.

Mr. Feld also discussed the terms of the contract and stated that the cost of the contract is recouped from Honeywell through a reimbursement agreement.

Mr. Price asked for clarification on the time remaining to complete remediation?

Mr. Feld responded the estimated time left for remediation is five to ten years.

Ms. Pastor asked what happens if remediation takes longer the ten years?

Mr. Feld responded that every five years, Board approval would be needed until full remediation occurred and the project was closed out.

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

No public comments.

The motion carried.

INFORMATION AND DISCUSSION (ITEMS 4 - 5)

4. Grants Update

Mr. Jordan Feld presented this item. He began by describing the traditional types of grants the airport applies for. He then transitioned to discussing the various non-traditional grants staff have explored in recent years.

He continued by presenting three non-traditional grants that were awarded to Aviation. Mr. Feld explained that two of the grants will not only help Aviation further its net zero goals, but those of the city as a whole, and the third grant will assist in furthering Aviation's Land Reuse Strategy.

In closing, Mr. Feld discussed other grants currently being pursued and how they could support projects throughout the three airports.

Mr. Price commented that the initiative to win these non-traditional grants is admirable and that he's excited to see what other grants can be pursued.

Ms. Pastor thanked the grants team for their hard work and dedication to winning grants that further sustainability goals.

Mr. Alonzo appreciated seeing the less traditional airport initiatives being addressed in the winning of grant funds.

Mr. Makovsky expressed his gratitude to the team for the creativity in their grant pursuit. He also thanked the subcommittee for their airport advocacy for the airport in their lines of business.

No public comments.

5. Sustainability Update

Ms. Jennifer Maples presented this item. She began with an overview of how the airport approaches sustainability and strives to implement sustainable practices into every area of the airport.

Ms. Maples continued by discussing the origins of sustainability efforts at the airport. She also displayed an infographic that touches on the six focus areas for initiatives and goals set out in the Sustainability Management Plan.

She also discussed aviation industry goals as a whole to address climate change and how there is a consensus to achieve net zero carbon by 2050. Sky Harbor has committed to attaining this goal by 2040 as illustrated by the airport's level 4 carbon accreditation and other efforts.

Continuing, Ms. Maples discussed the various elements of Sky Harbor's "Roadmap to Net Zero Carbon by 2040" and how the displayed infographic shows specific strategies and current progress. The roadmap outlines what measures are being taken up through 2030, what measures will be taken from 2030 – 2040, and then what the long-term plan looks like to maintain net zero carbon emissions.

Ms. Pastor thanked the team for the presentation and shared it is great to know the measures being taken to become more sustainable.

Mr. Price commented that as he travels for business, he hears a lot of conversations centered around sustainability. He is proud to be part of an airport that is focused on the future.

No public comments.

SUBCOMMITTEE INFORMATION AND FOLLOW-UP REQUESTS

None.

CALL TO THE PUBLIC

None.

ADJOURNMENT

The meeting adjourned at **3:02 p.m.**

PLANNING AND DEVELOPMENT SUBCOMMITTEE REPORT	
To:	Planning and Development Subcommittee
From:	Chad R. Makovsky, A.A.E Aviation Director
Subject:	Taxi Services Contract Extension

Description

This report requests that the Planning and Development Subcommittee recommend to the Phoenix Aviation Advisory Board to extend the current airport terminal taxi services contracts for an additional two years to provide continuous, on-demand taxi services at Phoenix Sky Harbor International Airport (PHX).

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

Report Summary

AAA Cab Service, Inc., Mayflower Cab Company, LLC, and VIP Taxi, LLC are under contract to provide on-demand taxi services to customers at PHX. The current contract term is set to expire on April 30, 2024.

Taxi companies have experienced loss of market share due to rideshare competition while also experiencing significant inflationary cost escalations for fuel, vehicle maintenance, and insurance premiums. Additionally, the taxi contractors were required to meet the terms of the contract including ensuring fleet availability at all times throughout the pandemic, while experiencing significantly reduced demand and revenue during that period.

Extending the contracts for two years will allow the contractors adequate time to recover unexpected revenue loss and address increased operating expenses and investment costs of fleet vehicles purchased to support the contracts with PHX.

Contract Term

The two-year extension period will begin on or about May 1, 2024 and expire on April 30, 2026, with no options to extend.

Financial Impact

These contracts generate revenue for the airport through trip fees as specified in Section 4-78 of the Phoenix City Code. No additional funds are required for the two-year extension periods.

Location

Phoenix Sky Harbor International Airport, 2485 E. Buckeye Road

Recommendation

This report requests that the Planning and Development Subcommittee recommend to the Phoenix Aviation Advisory Board to extend current airport terminal taxi services contracts for a term not to exceed two years.

PLANNING AND DEVELOPMENT SUBCOMMITTEE REPORT	
To:	Planning and Development Subcommittee
From:	Chad R. Makovsky, A.A.E Aviation Director
Subject:	Arizona State University Economic Impact Study Update

Description

This report provides the Planning and Development Subcommittee with information on the Arizona State University (ASU) Economic Impact Study Update.

THIS ITEM IS FOR INFORMATION AND DISCUSSION.

Report Summary

The Aviation Department has for many years partnered with ASU to conduct economic impact studies for the City's aviation system. The last update was prepared in 2016. ASU began working on this current update in early 2023. While the update will not be finalized until the Spring of 2024, this report will provide insight into the update process and initial results.

Location

Phoenix Sky Harbor International Airport, 2485 E. Buckeye Road

Recommendation

This item is for information and discussion.

PLANNING AND DEVELOPMENT SUBCOMMITTEE REPORT	
To:	Planning and Development Subcommittee
From:	Chad R. Makovsky, A.A.E Aviation Director
Subject:	RAISE Grant Update

Description

This report provides the Planning and Development Subcommittee an update on the status of a recent RAISE Grant award.

THIS ITEM IS FOR INFORMATION AND DISCUSSION.

Report Summary

The Aviation Department applied for and received a \$10,000,000 Rebuilding American Infrastructure with Sustainability and Equity (RAISE) grant issued by the U.S. Department of Transportation. The grant was awarded to help implement the Land Reuse Strategy Cultural Corridor to support neighborhoods immediately to the west of Phoenix Sky Harbor International Airport. Staff is currently working with the City Street Transportation Department to refine the scope of the project and has contracted with a consultant to begin the environmental and public outreach process. This report will provide an update on these efforts.

Location

Phoenix Sky Harbor International Airport, 2485 E. Buckeye Road

Recommendation

This item is for information and discussion.

PLANNING AND DEVELOPMENT SUBCOMMITTEE REPORT	
To:	Planning and Development Subcommittee
From:	Chad R. Makovsky, A.A.E Aviation Director
Subject:	Sky Harbor Center Development Update

Description

This report provides the Planning and Development Subcommittee an update on planned development activity within Sky Harbor Center.

THIS ITEM IS FOR INFORMATION AND DISCUSSION.

Report Summary

Sky Harbor Center (SHC) is an industrial park located directly west of Phoenix Sky Harbor International Airport that is owned and managed by the Aviation Department (Aviation). SHC consists of over 400 acres of land owned by Aviation and leased to various entities under long-term ground leases. Aviation owns the land to ensure compatible land uses adjacent to the airport, and non-aeronautical revenues derived from these land uses support airport operations and help to ensure self sufficiency. Most of the parcels in SHC, with the exception of the Rental Car Center, have been developed and subleased to the private sector since the late 1980's.

In June 2021, Aviation entered into a ground lease agreement with Chicanos Por La Causa (CPLC) to develop the remaining undeveloped land within SHC. The land consists of approximately 35 acres located on the northeast corner of 16th Street and Buckeye Road and the northeast corner of Sky Harbor Circle North and Buckeye Road (Site). CPLC planned to develop the Site in phases with a focus on mixed-use commercial development projects to include a corporate headquarters facility for CPLC. In April 2022, CPLC approached Aviation with a request to add Trammel Crow Company (TCC), a national commercial development firm, as their partner in completing the development. CPLC had been working with TCC on revising the development approach for the Site. This report will provide an update and status of development efforts by CPLC.

Location

Sky Harbor Center is generally contained within the area bordered by 16th Street on the west, I-10 to the east, I-17 to the south and the Union Pacific Railway to the north.

Recommendation

This item is for information and discussion.

PLANNING AND DEVELOPMENT SUBCOMMITTEE REPORT	
To:	Planning and Development Subcommittee
From:	Chad R. Makovsky, A.A.E. Aviation Director
Subject:	Phoenix Sky Harbor International Airport – Construction Update

Description

This report provides the Planning and Development Subcommittee an update on current notable construction projects including Crossfield Taxiway U and the Terminal 3 North 2 Concourse project.

THIS ITEM IS FOR INFORMATION AND DISCUSSION.

Report Summary

As the industry continues to recover from the effects of the pandemic. The Aviation Department (Aviation) expects Phoenix Sky Harbor International Airport (PHX) will experience its busiest year on record in 2023. Given record demand for services, Aviation intends to proceed with implementation of its airport capital improvement program. This report will provide an update on the timing, phasing, and delivery of notable construction activities occurring at PHX during 2024.

Location

Phoenix Sky Harbor International Airport, 2485 E. Buckeye Road

Recommendation

This item is for information and discussion.