

**NOTICE OF PUBLIC MEETING  
PHOENIX AVIATION ADVISORY BOARD  
BUSINESS 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, BUSINESS AND DEVELOPMENT SUBCOMMITTEE** and to the general public, that the **BUSINESS AND DEVELOPMENT SUBCOMMITTEE** will hold a meeting open to the public on **Friday, October 3, 2025 at 2:00 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/weblink/register/r0703d6256635431e555d78a907335aaf>
- **Call-in to listen to the meeting**, dial 602-666-0783 and Enter Meeting ID 2345 337 6219 # 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](mailto:pearl.meza@phoenix.gov) no later than 10 a.m. on Friday, October 3, 2025. 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 Business and Development Subcommittee Meeting on August 7, 2025**

**CONSENT ACTION (ITEMS 2 - 3)**

2. **New Facility Lease Agreement with AGI Ground, Inc. at Phoenix Sky Harbor International Airport**

This report requests that the Business and Development Subcommittee recommend to the Phoenix Aviation Advisory Board to enter into a new Facility Lease Agreement with AGI Ground, Inc. to lease up to a total of 5,760 square feet of space in Building A of the West Air Cargo complex at Phoenix Sky Harbor International Airport.

**THIS ITEM IS FOR CONSENT ACTION.**

**3. Access Agreement with Honeywell International, Inc. for Groundwater and Soil Vapor Well Monitoring at Phoenix Sky Harbor International Airport**

This report requests that the Business and Development Subcommittee recommend to the Phoenix Aviation Advisory Board to enter into an Access Agreement with Honeywell International, Inc. for access to Aviation-owned properties north of Phoenix Sky Harbor International Airport for the purpose of installing and monitoring groundwater and soil vapor wells.

**THIS ITEM IS FOR CONSENT ACTION.**

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

**4. Airport Advertising Revenue Contract Solicitation Request to Issue**

This report requests that the Business and Development Subcommittee recommend to the Phoenix Aviation Advisory Board to issue a Revenue Contract Solicitation for a qualified airport advertising company to develop and manage a comprehensive airport-wide advertising program at Phoenix Sky Harbor International Airport, Deer Valley Airport, Goodyear Airport, Rental Car Center, and other areas collectively referred to as "Airports". Additionally, the Aviation Department is requesting authorization to extend the term of Terminal Advertising Concession Lease Agreement 135006 on a month-to-month basis if necessary until performance begins under the new advertising concession lease resulting from this solicitation.

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

**5. Designated Aviation Channeling Services**

This report requests that the Business and Development Subcommittee recommend to the Phoenix Aviation Advisory Board to enter into a contract with the Telos Corporation for designated aviation channeling services at Phoenix Sky Harbor International Airport

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

## **SUBCOMMITTEE 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 related to this meeting, please visit [skyharbor.com](http://skyharbor.com).

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

The next Business and Development Subcommittee meeting is scheduled to take place Thursday, November 6, 2025.



**PHOENIX AVIATION ADVISORY BOARD  
BUSINESS & DEVELOPMENT SUBCOMMITTEE  
SUMMARY MINUTES  
August 7, 2025**

***Meeting held in person and via WebEx***

Subcommittee Members Present

Annette Musa- Chairperson  
Stephanie Cherny  
Sharon Hwang

Subcommittee Members Absent

Staff Present

Abbe Slade  
Andrew Durket  
Chris Baranowski  
Daver Malik  
Heather Shelbrack  
Jamie Ritchie  
Jeremy Galovich  
John Ojeda

Maria Wagar  
Matt Becker  
Matthew Heil  
Mike Pluff  
Moe Yacut  
Pearl Meza

Robert Hawes  
Roxann Favors  
Ryan Hartnett  
Sarah Demory  
Sean Larkin  
William Robinson

Members of the Public Present

Gordon Helm  
Mark Shadt

**CALL TO ORDER**

Ms. Musa called the meeting to order at **2:30 p.m.**

**MINUTES OF MEETING**

- 1. For Approval or Correction, the Minutes of the Business and Development Subcommittee Meeting on May 1, 2025.**

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

No public comments.  
The motion carried.

## **DISCUSSION AND POSSIBLE ACTION (ITEMS 2 - 3)**

### **2. Lease Extension Amendment with Civil Air Patrol at Phoenix Deer Valley Airport**

Mr. Robert Hawes presented this item. He explained that the Civil Air Patrol (CAP) is an important tenant and community partner at Phoenix Deer Valley Airport (DVT) and that the organization has requested approval of a lease extension amendment to support a significant facility expansion and modernization.

Mr. Hawes stated that CAP intends to invest a minimum of \$4.9 million to expand its existing facility at DVT, which will increase the overall footprint of their operations and provide improved resources for training, administration, and mission readiness.

Mr. Hawes continued by explaining that the lease amendment would extend the term through December 31, 2037, and also include a five-year option. He noted that the CAP lease is unique because it is an official auxiliary of the U.S. Air Force. The rent has historically been set at a nominal amount of one dollar per year, reflecting the direct public benefit tied to aviation, national defense, and emergency response.

He clarified that the annual rent will remain at one dollar per year under the amendment. He further explained that the added term will apply specifically to the expanded premises, and that all other applicable lease provisions will remain unchanged.

Mr. Hawes stated that CAP's expansion will allow for a larger presence at DVT, supporting their cadet programs for youth, their search and rescue training, and their partnerships with state and local agencies.

Mr. Hawes also confirmed, in response to a Subcommittee member's question, that the \$4.9 million investment for this expansion comes entirely from a State of Arizona grant and not from City of Phoenix funds.

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

No public comments.  
The motion carried.

**3. Amendment of Ground Lease No. 148261 with Cutter Aviation Deer Valley Inc. at Phoenix Deer Valley Airport**

Mr. Robert Hawes presented this item. He explained that Cutter Aviation Deer Valley, Inc. operates as the airport's fixed base operator (FBO) at DVT, providing a wide array of services including fueling, aircraft maintenance, storage, and training.

Cutter currently operates on approximately 26 acres of leased space, which already includes significant facilities including a 55,000 square foot hangar and a recently completed 60,000 square foot corporate hangar complex.

The requested amendment adds approximately 4,190 square feet of leased property on the northern edge of Cutter's leasehold to accommodate the construction of an additional corporate hangar.

Mr. Hawes stated that to proceed with the construction, Cutter will need to remove two covered aircraft shade structures. He clarified that airport staff is evaluating whether these structures could be relocated and reused elsewhere on the airfield to ensure no loss of utility.

Mr. Hawes stated that Cutter currently pays annual rent of \$603,286.88, and with the addition of the new lease area the annual rent will increase by \$2,851. He further explained that rent under this lease is subject to periodic adjustments based on the Consumer Price Index, and that no other material terms of the lease will change as part of this amendment.

Finally, Mr. Hawes emphasized that this expansion would allow Cutter to continue serve increased demand at DVT.

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

No public comments.  
The motion carried.

**SUBCOMMITTEE INFORMATION AND FOLLOW-UP REQUESTS**

None.

**CALL TO THE PUBLIC**

Mark Shadt, speaking on behalf of the Civil Air Patrol – Arizona Wing, addressed the Subcommittee in support of the CAP item. He explained that the Arizona Wing has approximately 1,600 members statewide, with more than 200 members

active at Deer Valley. He stated that the cadet program serves youth ages 12 through 18, providing education, discipline, and aviation exposure. He continued by highlighting CAP's contributions to the community, including search-and-rescue operations, disaster response, and support of local and state agencies. He thanked the City of Phoenix for its continued support of CAP's mission and facilities.

Gordon Helm also addressed the Subcommittee. He expressed support for the Civil Air Patrol lease amendment and emphasized the organization's critical role in emergency preparedness and aviation education. He shared his perspective as a long-time member and highlighted CAP's importance to the community at large, stating that continued City support will help ensure its growth and sustainability.

No other public comments.

## **ADJOURNMENT**

The meeting adjourned at **2:46 p.m.**

<b>BUSINESS AND DEVELOPMENT SUBCOMMITTEE REPORT</b>	
To:	Business and Development Subcommittee
From:	Chad R. Makovsky, A.A.E. Aviation Director
Subject:	New Facility Lease Agreement with AGI Ground, Inc. at Phoenix Sky Harbor International Airport

### **Description**

This report requests that the Business and Development Subcommittee recommend to the Phoenix Aviation Advisory Board to enter into a new Facility Lease Agreement with AGI Ground, Inc. (AGI) to lease up to a total of 5,760 square feet of space in Building A of the West Air Cargo complex at Phoenix Sky Harbor International Airport.

THIS ITEM IS FOR CONSENT ACTION.

### **Report Summary**

AGI currently provides ground handling support services to AeroMéxico and WestJet under Commercial Use Permit No. 529-24. AGI has recently expanded its service agreement with AeroMéxico to include cargo handling operations.

To support the cargo operation and ground service equipment storage, AGI requests to lease two cargo bays totaling 3,840 square feet in Building A of the West Air Cargo complex, with an option to lease one additional cargo bay of 1,920 square feet. The additional space would be contingent upon AGI securing contracts with additional airlines requiring cargo support services.

AGI will be required to complete tenant improvements within six months following the effective date of the facility lease. These improvements are necessary to make the leased space suitable for its cargo operations by separating the two cargo bays from the adjoining continuous unoccupied cargo bays in a manner that allows for future expansion into one additional cargo bay.

### **Contract Term**

The lease term will be for three years, with three one-year renewal options at the sole discretion of the Aviation Director.

### **Financial Impact**

AGI will pay the rental rate per square foot per year as established by the Airport Rates and Charges program authorized under Phoenix City Code Section 4-173(B). The rental rate will be adjusted annually in accordance with the Rates and Charges provision of Article IX, Chapter 4 of the Phoenix City Code. Anticipated rent for first year of the lease is approximately \$69,120 and total revenue expected over the life of the contract, including all extension options, is approximately \$414,720.

### **Location**

Phoenix Sky Harbor International Airport, 2485 E. Buckeye Road



**Recommendation**

Request that the Business and Development Subcommittee recommend to the Phoenix Aviation Advisory Board to enter into a new Facility Lease Agreement with AGI Ground, Inc. to lease up to a total of 5,760 square feet of space in Building A of the West Air Cargo complex at Phoenix Sky Harbor International Airport.

<b>BUSINESS AND DEVELOPMENT SUBCOMMITTEE REPORT</b>	
To:	Business and Development Subcommittee
From:	Chad R. Makovsky, A.A.E. Aviation Director
Subject:	Access Agreement with Honeywell International, Inc. for Groundwater and Soil Vapor Well Monitoring at Phoenix Sky Harbor International Airport

### **Description**

This report requests that the Business and Development Subcommittee recommend to the Phoenix Aviation Advisory Board to enter into an Access Agreement with Honeywell International, Inc. (Honeywell) for access to Aviation-owned properties north of Phoenix Sky Harbor International Airport for the purpose of installing and monitoring groundwater and soil vapor wells.

THIS ITEM IS FOR CONSENT ACTION.

### **Report Summary**

The Arizona Department of Economic Quality and City of Phoenix have required Honeywell to install monitoring wells on Aviation Department properties located within the existing Superfund Site also known as “Motorola 52<sup>nd</sup> Street Superfund Site”. Honeywell’s responsibility to remediate the area is due to the releases of petroleum hydrocarbon products from underground storage tanks at a Honeywell facility that migrated onto Aviation properties.

The Aviation Department and Honeywell have previously entered into similar Access Agreements to provide Honeywell access to install and monitor wells on these Aviation-owned properties. Those agreements have since expired. Access to these Aviation-owned properties is currently authorized under Section V, subsection (g) of Remediation Agreement 124536 between the City of Phoenix and Honeywell. Upon approval of this Access Agreement, Section V, subsection (g) will end, and access authorization will thereafter be governed solely by the terms of this Access Agreement.

### **Contract Term**

The term of the Access Agreement will be month-to-month and expire on the date that the City determines that Honeywell has completed decommissioning of all wells on Aviation properties.

### **Financial Impact**

No rents or fees are due to the Aviation Department under this Access Agreement. Honeywell is conducting remediation activities at their sole expense.

### **Location**

Phoenix Sky Harbor International Airport, 2485 E. Buckeye Road

### **Recommendation**

Request that the Business Development Subcommittee recommend to the Phoenix Aviation Advisory Board to authorize the Aviation Department to enter into an Access Agreement with Honeywell International, Inc. for access to Aviation-owned properties

north of Phoenix Sky Harbor International Airport for the purpose of installing and monitoring groundwater and soil vapor wells.

<b>BUSINESS AND DEVELOPMENT SUBCOMMITTEE REPORT</b>	
To:	Business and Development Subcommittee
From:	Chad R. Makovsky, A.A.E. Aviation Director
Subject:	Airport Advertising Revenue Contract Solicitation Request to Issue

### **Description**

This report requests that the Business and Development Subcommittee recommend to the Phoenix Aviation Advisory Board to authorize the Aviation Department to issue a Revenue Contract Solicitation (RCS) for a qualified airport advertising company to develop and manage a comprehensive airport-wide advertising program at Phoenix Sky Harbor International Airport, Deer Valley Airport, Goodyear Airport, Rental Car Center, and other areas collectively referred to as “Airports”. Additionally, the Aviation Department is requesting authorization to extend the term of Terminal Advertising Concession Lease Agreement 135006 on a month-to-month basis if necessary until performance begins under the new advertising concession lease resulting from this solicitation.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

### **Report Summary**

The Aviation Department currently contracts with Lamar Alliance Airport Advertising Company to operate the Airport Advertising concession program under Terminal Airport Advertising Concession Lease Agreement 135006. This Lease Agreement expires in May 2026.

The Aviation Department is seeking an airport advertising concessionaire to develop and manage a comprehensive airport-wide advertising program encompassing both indoor and outdoor spaces and sponsorship opportunities. The goals of the airport advertising program are to:

- Showcase the unique identity of Phoenix, its surrounding communities, and local cultural heritage.
- Promote a diverse mix of regional and national brands to the traveling public.
- Generate increased revenues for the Aviation Department through innovative advertising solutions.

In alignment with airport industry best practices, the selected advertising concessionaire is expected to provide state-of-the-art technology and equipment that create distinctive engagement opportunities with airport travelers and enhance the overall passenger experience. The envisioned program will reflect the evolving standards of public-space advertising within airport environments.

### **Procurement Information**

The Aviation Department will issue an RCS to select a qualified airport advertising concessionaire to develop and manage the Airport Advertising program. The selected concessionaire will be responsible for the installation, maintenance, and operation of all advertising equipment and associated infrastructure.

Respondents deemed responsive and responsible will be evaluated based on the following proposed evaluation criteria:

- Qualifications and Experience of Proposer
- Advertising Display Program
- Business, Marketing, and Operations Plans
- Transition and Mobilization Plan
- Sponsorship Program Methodology
- Financial Return to the City

The highest ranked Respondent will be recommended for the Airport Advertising Concession Lease award.

The Aviation Department intends to issue this solicitation in Spring 2026. The City's Transparency Policy will be in effect upon release of the RCS and throughout the procurement process.

### **Contract Term**

The term will be seven years with one, three-year option to renew at the sole discretion of the Aviation Director.

### **Financial Impact**

Rent will be based on the MAG or a percentage of gross sales from the advertising concession program, whichever is greater. MAG and the percentage of gross sales will be finalized upon RCS publication.

### **Public Outreach**

This process will include all standard and required outreach efforts and conduct targeted outreach efforts to attract interest.

### **Location**

Phoenix Sky Harbor International Airport, 2485 E. Buckeye Rd.

### **Recommendation**

Request that the Business Development Subcommittee recommend to the Phoenix Aviation Advisory Board to issue an RCS for a qualified airport advertising company to develop and manage a comprehensive airport-wide advertising program and to extend the term of Terminal Advertising Concession Lease Agreement 135006 on a month-to-month basis until performance begins under the new advertising concession lease resulting from this solicitation.

<b>BUSINESS AND DEVELOPMENT SUBCOMMITTEE REPORT</b>	
To:	Business and Development Subcommittee
From:	Chad R. Makovsky, A.A.E. Aviation Director
Subject:	Designated Aviation Channeling Services

### **Description**

This report requests that the Business and Development Subcommittee recommend to the Phoenix Aviation Advisory Board to enter into a contract with the Telos Corporation for designated aviation channeling services at Phoenix Sky Harbor International Airport.

THIS ITEM IS FOR DISCUSSION AND POSSIBLE ACTION.

### **Report Summary**

Phoenix Sky Harbor International Airport (Airport) must utilize a TSA-certified and accredited Designated Aviation Channeling Service (DAC) to process required background checks, fingerprint-based criminal history record checks, and security threat assessments for airport employees needing access to restricted areas of the airport.

A DAC must be able to:

- Receive, validate, and aggregate biographic and biometric data between the Airport and TSA for airport worker screening.
- Fully automate the transmission of biographic and biometric data between the Airport and TSA.
- Provide a secure web-based portal to obtain transmitted Airport worker screening information.

A solicitation was issued on June 23, 2025, and two responsive proposals were reviewed. Telos Corporation is the incumbent and was determined by a review panel to be the highest-ranked proposer.

### **Contract Term**

The contract term will be three years with two one-year options to extend. The new contract is expected to commence on or about January 1, 2026.

### **Financial Impact**

The contract value will not exceed \$3 million over the aggregate 5-year term.

### **Location**

Phoenix Sky Harbor International Airport, 2485 E. Buckeye Road

### **Recommendation**

Request that the Business and Development Subcommittee recommend to the Phoenix Aviation Advisory Board to enter into a contract with the Telos Corporation for designated aviation channeling services at Phoenix Sky Harbor International Airport.