



**MINUTES OF PUBLIC MEETING OF THE
PHOENIX-MESA GATEWAY AIRPORT AUTHORITY
BOARD OF DIRECTORS | November 21, 2017**

A public meeting of the Phoenix-Mesa Gateway Airport Authority was convened on Tuesday, November 21, 2017, beginning at 8:30 a.m. in the Board Room (Saguaro A & B) of the Gateway Administration Building, 5835 S Sossaman Road, Mesa, Arizona.

Members Present

Mayor Jenn Daniels, Gilbert
Mayor Jeff Serdy, Apache Junction
Mayor Gail Barney, Queen Creek
Councilmember Thelda Williams, Phoenix
Mayor John Giles, Mesa
Governor Monica Antone, Gila River
Indian Community

**Neither present nor represented*

Airport Staff Present

J. Brian O'Neill, Executive Director/CEO
Scott Brownlee, Deputy Director/COO
Chuck Odom, CFO
Maria Gonzalez, Clerk of the Board
Ann Marie Anderson, Attorney

Members of the Public

Amy Arguilez, Town of Gilbert
Jason Barney, Circle G
Jamie Bennett, Town of Queen Creek
Luis Borbon, SkyBridge
Chris Brady, City of Mesa
Matt Busby, City of Apache Junction
Scott Butler, City of Mesa
Sergio Chávez-Moreno, Interstemic Partners
Rhonda Curtis, Wells Fargo
Kent Dibble, Dibble Engineering
Keith C. Dougherty, Sletten Construction
Monica Farrell, Sletten Construction
Bob Halbekath, Horizon Aero
Ken Halverson, Jetstrip/KMH
Fred Himovitz, HPI
Brian Howard, CEI
Mike Hutchinson, East Valley Partnership
John Kross, Town of Queen Creek

Marco Lopez, Interstemic Partners
Vice Mayor David Luna, City of Mesa
Jose Pablo Martinez, SkyBridge
Jim McCauley, Wells Fargo
Pearl Meza, City of Phoenix
Kevin Morris, SkyBridge
Lazaro Ortiz, Mesa
Dennis Osuch, CliftonLarsonAllen LLP
Chris Petroff, DPR Construction
Simon Picker, SkyBridge
Laura Pogue, Colliers International
Jody Pokorski, Snell & Wilmer
Bryant Powell, City of Apache Junction
Steve Reeder, Kimley-Horn
Richard Reese, Aeroquest USA
Ernesto Valdés, Grupo Seguritech
Michael Wilke, Horrocks Engineers
Q. P. Williams, GJ

1. **Call to Order** at 8:35 a.m. (Mayor Jenn Daniels)
2. **Motion to Convene into Executive Session.**

Pursuant to A.R.S. §38-431.03(A)(3) and (A)(7), the Board of Directors may convene into executive session for the purpose of discussion or consultation for legal advice with the attorney or attorneys of the public body, and to consider its position and instruct its representatives regarding the purchase, sale, or lease of real property as it relates to the Master Developer Agreement.

Mayor John Giles motioned to convene into Executive Session. Mayor Gail Barney seconded the motion. The motion was carried unanimously.

3. Reconvene from Executive Session to Regular Session (9:30 a.m.)

4. Call to the Public.

Comments are noted with Agenda Item No. 8.

5. Executive Director's Report.

In the interest of time, Chairwoman Daniels proposed to forego the Executive Director's Report noting that the Executive Director's report is included in the Board Packet.

6. Presentation: Audited Financials – Dennis Osuch, Principal-CliftonLarsonAllen LLP

Mr. Osuch provided a brief overview of the Fiscal Year 17 audit, resulting in an issuance of an unmodified (clean) opinion for the Phoenix-Mesa Gateway Airport Authority. No material audit adjustments made.

Mayor Daniels suggested an update to the Board regarding the recommendations provided from the audit in a six-month timeframe.

7. Consent Agenda

- a. **Minutes** of the Board Meeting held on **October 17, 2017**.
- b. **Resolution No. 17-55** Authorizing a contract with **Five Star Concrete Services Inc.** to resurface the floor in Hangar 32 at a cost not-to-exceed \$65,667.50.
- c. **Resolution No. 17-56** Authorizing an amendment to the **Executive Director/CEO's Employment Contract**, effective October 1, 2017.

Mayor Gail Barney moved to approve the Consent Agenda. Mayor Jeff Serdy seconded the motion. The motion was carried unanimously.

8. Resolution No. 17-57 Authorizing a Master Development Agreement with **Mesa SkyBridge, LLC**, an Arizona limited liability company.

Mr. Shea Joachim informed the Board that the Master Development Agreement (MDA) will close the procurement and select Mesa SkyBridge LLC as the Master Developer for the Gateway Aerospace Park. Additionally, with the submission of a security deposit, the property will be reserved for Mesa SkyBridge, LLC, and establishes deadlines for Pre/Post Closing conditions. Closing is defined as the approval and execution of a Master Lease, which will be brought forward for the Board's consideration soon. The MDA also obtains a financial guarantee from Grupo Seguritech, a Mexican-based company and partner in Mesa SkyBridge, LLC. Lastly, the MDA establishes the minimum development requirements, which are not the expectations of either the Authority or the development group; however, it is the minimum development necessary to be compliant with the MDA.

Public comment:

- Mr. Richard Reese requested a clearer understanding of the geographic scope of the developer's responsibility. Mr. Shea Joachim indicated that the information was available as an Exhibit to the MDA which is publicly available at www.gatewayairport.com.

- Mr. Michael Hutchinson representing the East Valley Partnership (EVP) expressed strong support for this project.

Mayor Giles expressed his appreciation to all involved in cultivating and nurturing such a tremendous asset. He shared his excitement for the partnership with Mesa SkyBridge, LLC and the possibility of attracting the Unified Cargo Processing Program. With cargo leaving Gateway Airport as a domestic product, it can travel to any Mexican airport, bringing faster e-commerce to the nation of Mexico and the world.

He noted the tremendous, positive press opportunities for Gateway and the region. Trade with Mexico will become a larger part of the economy. Mesa SkyBridge LLC is a partner that will invest millions of dollars to build infrastructure at Gateway, which will pay dividends and cause a ripple effect throughout the local economy. Mayor Giles expressed his comfort with the agreement and noted the various levels of review on such a complicated agreement to provide safeguards for both parties.

Councilwoman Williams acknowledged the importance and uniqueness of the opportunity the MDA creates. She complimented the staff on such forward thinking and stated it would be a treasure to have the Unified Cargo Processing Program located at Gateway Airport.

Mayor Gail Barney and Mayor Jeff Serdy echoed Councilwoman Williams' comments.

Mayor Daniels thanked the staff for their patience in working through the delicate details of the agreement. She complimented the team and acknowledged the hard-work by staff to bring this deal forward; not only for Gateway Airport, but the entire region. Chair Daniels noted her continued concerns regarding some of the language and the low minimum development requirements contained in the agreement, but she maintained her support and hoped to find opportunities to improve upon the language through the Lease Agreement.

Mayor John Giles moved to approve Resolution No. 17-57. Councilwoman Thelda Williams seconded the motion. The motion was carried unanimously.

9. Board Member Comments/Announcements

Mayor Daniels thanked Lt. Governor Antone for her contributions to the Board.

10. Next Meeting: Tuesday, December 19, 2017 at 9:00 a.m. in the Board Room (Saguaro A&B) of the Gateway Administration Building, 5835 South Sossaman Road, Mesa, Arizona.

11. Adjournment.

The meeting adjourned at 10:02a.m.

Dated this ____ day of _____, 20 ____.

Maria E. Gonzalez, Clerk of the Board