
**TUCSON AIRPORT AUTHORITY | Board of Directors Regular Meeting
Monday, January 24, 2022 | Approximately 10:15 a.m. | Remote Participation Only**

THIS BOARD MEETING WAS HELD WITH REMOTE PARTICIPATION ONLY, WITH DIRECTORS ATTENDING VIA MICROSOFT TEAMS OR TELEPHONICALLY. MEMBERS OF THE PUBLIC WHO COMPLETED A REGISTRATION FORM RECEIVED A LINK TO VIEW THE MEETING VIA MICROSOFT TEAMS OR TELEPHONICALLY.

1. CALL TO ORDER | ROLL CALL

Chair Dusenberry called the meeting to order at 10:11 a.m.

Directors Present: Chair Bruce Dusenberry, Vice Chair Keri Silvyn, Secretary Mike Hammond, Treasurer Phil Swaim, Director Rob Draper, Director Judy Rich, Director Todd Jackson, Director Sally Fernandez, and Director Vance Falbaum

Staff Present: President/Chief Executive Officer Danette Bewley, Vice President/General Counsel Christopher Schmaltz, Vice President/Chief Commercial Officer John Voorhees, Deputy General Counsel Kim Ryan, IT Cloud and Systems Engineer Matt Chandler, and TAA Clerk Byron Jones

2. ELECTION OF OFFICERS

Chair Dusenberry reported that the Nominating Council recommended the following slate of corporate officers for 2022:

- Chair: Bruce Dusenberry
- Vice Chair: Mike Hammond
- Secretary: Keri Silvyn
- Treasurer: Phil Swaim

Director Silvyn previously stepped out of the line of succession due to family matters. Ms. Silvyn has a desire to serve as Chair; however, with the Chair now serving a two-year term, she will reach her term limit as a director before the Chair position opens. It was determined that Director Hammond still has enough years to advance to Chair, so they agreed that for 2022, Director Silvyn will serve as Vice Chair and Director Hammond will serve as Secretary. This will allow for Director Silvyn to serve as Chair in 2023 and 2024, and Director Hammond to serve as Chair in 2025 and 2026.

MOTION BY Director Hammond, SECONDED BY Director Falbaum, to APPOINT as corporate officers for 2022: CHAIR – Bruce Dusenberry, VICE CHAIR – Keri Silvyn,

SECRETARY – Mike Hammond, and TREASURER – Phil Swaim. The motion carried by the following vote:

Ayes 9 Chair Dusenberry, Director Draper, Director Rich, Director Silvyn, Director Hammond, Director Swaim, Director Jackson, Director Fernandez, and Director Falbaum

Nays 0

3. BOARD TRAINING | DISCUSSION

Vice President and General Counsel Christopher Schmaltz and Deputy General Counsel Kim Ryan gave a presentation to the Board about its corporate governance, its fiduciary responsibilities, and its obligations under the Arizona Open Meeting Law (OML) and the Arizona Public Records Law.

- Directors have a fiduciary duty to act in good faith in accordance with the TAA’s governing documents, and to exercise the duties of care, loyalty, and obedience.
- The Board establishes policies for the TAA and hires the President/CEO to execute these policies in the day-to-day operations of the airport.
- The Board and all the TAA’s advisory councils are subject to the Arizona OML.
- Board members are personally liable for violations of the OML and are subject to enforcement actions and penalties up to and including removal from office.
- All communications made by directors in their official capacity—regardless of the device used—are subject to the Public Records Law.

4. CONSENT AGENDA

- a. APPROVAL OF MINUTES:** Approve the minutes of the Board of Directors regular meeting held on December 8, 2021.
- b. DELEGATION OF AUTHORITY TO THE PRESIDENT/CEO FOR 2022:** Adopt Resolution No. 2022-01 delegating authority to the President/CEO or her designee(s) for the application, execution, and delivery of grant agreements, military construction cooperative agreements, and associated intergovernmental agreements.
- c. 2022 BOARD OF DIRECTORS MEETING SCHEDULE:** Adopt Resolution No. 2022-02 approving the 2022 Board of Directors meeting schedule and acknowledging the date of the 2023 Annual Meeting and the initial meeting of the 2023 Board of Directors.
- d. REQUESTS FOR EMERITUS MEMBERSHIP:** Adopt Resolution No. 2022-03 approving the applications submitted by four active Members to transition to Emeritus.

- e. **YEAR-THREE CONTRACT WITH HILL ENTERPRISES, INC.:** Adopt Resolution No. 2022-04 authorizing the President/CEO or her designee(s) to execute a contract with Hill Enterprises, Inc., for approximately \$346,250 for leadership development and coaching, as well as facilitation of the annual review process for the President/CEO.

MOTION BY Vice Chair Silvyn, SECONDED BY Secretary Hammond, to APPROVE the consent agenda. The motion carried by the following vote:

Ayes 9 Chair Dusenberry, Vice Chair Silvyn, Secretary Hammond, Treasurer Swaim, Director Draper, Director Rich, Director Jackson, Director Fernandez, and Director Falbaum

Nays 0

5. CHAIRPERSON REPORT

- a. TAA and Staff Recognition | New or Promoted Employees, Awards, and Acknowledgments

There were no items to report.

6. PRESIDENT/CEO REPORT

President/CEO Danette Bewley reported on the following:

- a. State of the Industry | Update

In a recent interview, Southwest Airlines CEO Robert Jordan explained the importance of investing in employees. The TAA shares this vision. The Strategic Plan 2.0, which was adopted on September 1, 2021, outlines several priorities the TAA will focus on during the next several years; among them are investing in its employees and returning to a profitable business model that does not solely rely on aeronautical revenue.

- b. Strategic Plan 2.0 | Quarterly Update

The TAA recently purchased a new software solution called Cascade. Cascade is designed for strategic planning and will improve how strategic plan initiatives are tracked and reported.

7. DISCUSSION/PRESENTATION

- a. The Board of Directors will discuss and give direction on the format for Board meetings for the remainder of 2022 or until the COVID-19 emergency declaration has been rescinded.

Chair Dusenberry explained that this is an opportunity for the Board to express how it wants to hold meetings in 2022. With COVID numbers continuing to decrease, the Board may choose to continue holding virtual meetings for the time being, begin holding in-person meetings at the airport, or adopt a hybrid approach which allows directors to attend either virtually or in person.

BOARD DISCUSSION

- Director Rich stated that it has been a challenge holding virtual meetings for two years. Ms. Rich favors resuming in-person meetings once it is safe to do so, though it is still an open question as to when this will be. She speculated that it will be safe within the next two-to-three months and would support beginning hybrid meetings at that time.
- Secretary Hammond agreed with Director Rich and stated that allowing directors the option to attend meetings through technology is convenient.

The Board’s consensus was to continue monitoring the situation and to move to hybrid meetings (in person and virtual) as soon as it is determined to be safe.

8. EXECUTIVE SESSION

The Board of Directors, upon a majority vote, may convene into executive session for the following:

- a. Pursuant to A.R.S. §§ 38-431.03(A)(3) and (A)(7): For discussion or consultation with the TAA attorney or attorneys for legal advice and discussions or consultations with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale, or lease of real property at Ryan Airfield (RYN).
- b. Pursuant to A.R.S. § 38-431.03(A)(7): For discussion or consultation with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property related to the development project known as “Project Payload.”

MOTION BY Director Fernandez, SECONDED BY Vice Chair Silvyn, to CONVENE into executive session. The motion carried by the following vote:

Ayes 9 Chair Dusenberry, Vice Chair Silvyn, Secretary Hammond, Treasurer Swaim, Director Draper, Director Rich, Director Jackson, Director Fernandez, and Director Falbaum

Nays 0

The regular meeting recessed, and the Board of Directors convened in executive session at 10:41 a.m.

9. RECONVENE THE REGULAR MEETING

The executive session adjourned, and the Board of Directors resumed the regular meeting at 11:21 a.m.

10. ACTION ITEMS

a. FOURTH AMENDMENT TO THE LEASE WITH AEROPLEX/MILLION AIR:

There was no discussion regarding this item.

MOTION BY Secretary Hammond, SECONDED BY Director Fernandez, to ADOPT Resolution No. 2022-05 approving a fourth amendment to the lease with Aeroplex/Million Air for expansion of square footage and extending the term of the lease. The motion carried by the following vote:

Ayes 9 Chair Dusenberry, Vice Chair Silvyn, Secretary Hammond, Treasurer Swaim, Director Draper, Director Rich, Director Jackson, Director Fernandez, and Director Falbaum

Nays 0

b. "PROJECT PAYLOAD" LEASE AGREEMENT:

There was no discussion regarding this item.

MOTION BY Secretary Hammond, SECONDED BY Director Rich, to ADOPT Resolution No. 2022-06 authorizing the President/CEO or her designee to execute a five-year lease agreement with the company known as "Project Payload," subject to key business terms. The motion carried by the following vote:

Ayes **8** **Chair Dusenberry, Vice Chair Silvyn, Secretary Hammond, Treasurer Swaim, Director Rich, Director Jackson, Director Fernandez, and Director Falbaum**

Nays **0**

Abstained **1** **Director Draper**

11. ADJOURN

There being no further business to discuss, Chair Dusenberry adjourned the meeting at 11:27 a.m.

APPROVED BY:

Michael S. Hammond
Michael S. Hammond (Apr 15, 2022 11:52 PDT)
Michael S. Hammond, Secretary

Date: April, 15, 2022

Prepared by:

Byron M. Jones
Byron M. Jones (Apr 14, 2022 10:07 PDT)
Byron M. Jones, CMC, TAA Clerk

Date: April, 14, 2022