

**TUCSON AIRPORT AUTHORITY | Board of Directors Regular Meeting
Wednesday, September 3, 2025 | 3:00 p.m. | TAA Board Room and Microsoft Teams**

THIS REGULAR MEETING OF THE TUCSON AIRPORT AUTHORITY (TAA) BOARD OF DIRECTORS WAS HELD IN A HYBRID MANNER. BOARD MEMBERS ATTENDED THE MEETING IN PERSON OR VIRTUALLY VIA MICROSOFT TEAMS. MEMBERS OF THE PUBLIC WERE INVITED TO ATTEND IN PERSON.

1. CALL TO ORDER | ROLL CALL

Chair Michael Hammond called the meeting to order at 3:00 p.m.

Directors Present: Chair Michael Hammond, Vice Chair Phil Swaim, Treasure Rhonda Piña (via Teams), Director Tim Overton, Director Todd Jackson, Director Fran Katz (via Teams), and Director Keri Silvyn. Director Judy Rich joined the meeting at 3:03p.m.

Directors Absent: Secretary Vance Falbaum, Director Calline Sanchez, and Director Ellen Wheeler

Staff Present: President/CEO Danette Bewley, Executive Vice President/Chief Operations Officer Bruce Goetz, Executive Vice President/General Counsel Chris Schmaltz, Vice President/Chief Revenue Officer John 'Dutch' Voorhees, Vice President/Chief Financial Officer Kim Allison, Vice President of Operations Chris Deitz, Chief Communications Officer Austin Wright, Chief People Officer Kim DeLaTorre, Deputy Chief of Strategic Marketing and Air Service Development Brian Kidd, Deputy General Counsel Kim Outlaw Ryan, IT Customer Support Technician Hector Lopez, and TAA Clerk Carolina Cordova

2. CONSENT AGENDA

Motion by Director Silvyn, seconded by Director Overton, to approve the Consent Agenda.

The Motion carried by the following vote:

Ayes (7) Hammond, Swaim, Piña, Jackson, Silvyn, Katz, Overton

Nays (0)

3. BOARD CHAIR REPORT

TAA Advocacy

- Chair Michael Hammond reported that the TAA continues to target legislative issues with state and federal legislators regarding PFAS remediation; the request to Congress is to enact legislation that ensures the federal government provides resources to fund the remediation of PFAS because the federal government mandated our use of PFAS containing firefighting foam. Additionally, Chair Michael Hammond reported the importance of protecting the Arizona State Aviation Fund as the amount of the fund can be as high as \$20 million dollars. The purpose of this program is to fund high priority, eligible airport projects as determined by ADOT.

- Chair Michael Hammond referenced the TAA Member Advisory to review the talking points for PFAS remediation and further information.

4. PRESIDENT/CEO REPORT

Industry and TAA Airport System Update

- a. President/CEO Danette Bewley reported the following:
 - The national average for passenger capacity growth has only been 1%; however, seat capacity at TUS has grown by 8%, with the July year-over-year passenger count growth of greater than 5%. There were concerns of a lack of migrant travel negatively impacting our passenger numbers, however, TUS continues to grow.
 - Since the last meeting held in August, President/CEO Danette Bewley has signed an approximate total of \$6.1 million dollars in grants for the ASE Project, along with several other grants for various projects. Another estimated \$55.9 million dollar grant for ASE is expected to be offered to the TAA, along with an additional end of year 'grant sweep money' which will be used for ASE.

5. PRESENTATION/DISCUSSION

TAA staff presented the FY2026 Operating and Capital Budget package to the Board of Directors for consideration and discussion.

- President/CEO Danette Bewley reported that TAA executives met with the TUS Airport Airline Affairs Committee for review of the TAA FY 2026 Budget, who had no objections to the budget, neither did the TAA Finance and Risk Management Advisory Council, which recommended approval of the Budget as presented to the Board of Directors.
- VP/CFO Kim Allison reported the airlines are happy with TUS market as it is seasonal and easy to predict. She reported a projected .5% increase in the total landing weight over last year's budget; however, we are trending at a 6.2% increase year-to-date in the actual landed weight year-over-year. Additionally, VP/CFO Kim Allison reported that the proposed budget reflects a \$.17-cent increase in the proposed landing fee, and there are no expressed concerns from airlines.
- VP/CFO Kim Allison also reported that the Budget includes \$12.6 million in capital requirements, and the TAA has submitted a PFC application to the FAA for additional revenue for certain eligible capital projects. VP/CFO Kim Allison explained the lengthy PFC application process and that TAA is seeking \$9.7 million in PFC funding for FY26.
- President/CEO Danette Bewley and VP/CFO Kim Allison responded to questions from Vice Chair Phil Swaim regarding the projects that make up the \$12.6 million in proposed capital expenditures. VP/CFO Kim Allison and EVP/GC Chris Schmaltz both answered, indicating that the amount includes TAA spending on ASE and non-ASE projects.

6. ACTION ITEMS

- a. **Motion by Director Jackson, seconded by Director Katz, to approve Resolution No. 2025-10 approving the FY 2026 Operating and Capital Budget.**

The Motion carried by the following vote:

Ayes (8) Hammond, Swaim, Piña, Rich, Jackson, Silvyn, Katz, Overton

Nays (0)

- b. **Motion by Director Silvyn, seconded by Treasurer Piña, to approve Resolution No. 2025-11 approving the TAA Parking Lot Rates Adjustment.**

The Motion carried by the following vote:

Ayes (8) Hammond, Swaim, Piña, Rich, Jackson, Silvyn, Katz, Overton

Nays (0)

- c. **Motion by Director Silvyn, seconded by Director Rich, to approve Resolution No. 2025-12 approving the Tucson Airport Authority Compensation Plan dated October 1, 2025.**

The Motion carried by the following vote:

Ayes (8) Hammond, Swaim, Piña, Rich, Jackson, Silvyn, Katz, Overton

Nays (0)

7. DIVISION UPDATES

VP/CFO Kim Allison provided the following financial update:

- The turnover within the Finance department was addressed and VP/CFO Kim Allison confidently advised that she has hired a team that is well-defined and hard-working.
- VP/CFO Kim Allison presented the FY25 Q3 YTD Financial Highlights. The operating revenue is currently around \$2 million dollars higher than budget.
- VP/CFO Kim Allison reported that concessions are doing well.
- There is a 5% increase in the operating expenses and some of the contributing factors are due to personnel costs and inflation.
- VP/CFO Kim Allison reported that TAA has contracts with financial and other consultants for assistance, however, the extended vacancies in employment positions have helped create larger savings in the personnel budget.
- Director Judy Rich commended CFO Kim Allison for her work and expressed concern regarding the conservative estimates, however, she acknowledged that she would also have taken the same steps to work through the budget, given the challenges that VP/CFO Kim Allison faced with her team.

- VP/CFO Kim Allison and President/CEO Danette Bewley responded to questions from Vice Chair Phil Swaim regarding whether the Checked Baggage Inspection System project is still on track, or behind schedule. VP/CFO Kim Allison advised there were no concerns as to timing and President/CEO Danette Bewley advised that they have planned the schedule for the ASE project to wind-down as the Checked Baggage Inspection System project ramps up.
- Director Keri Silvyn asked VP/CRO John Voorhees about revenues associated with land development and concessions. VP/CRO John Voorhees detailed successful lease negotiations on a variety of projects and how well parking and concessions revenues were doing in this fiscal year.

8. NEXT MEETING

Wednesday, December 3, 2025, at 3:00 p.m. | TAA Board Room

The Board was reminded of the TAA Membership Fall Mixer on Wednesday, October 15, 2025, at the Hacienda del Sol Guest Ranch.

9. ADJOURN

Chair Michael Hammond adjourned the meeting at 3.41 p.m.

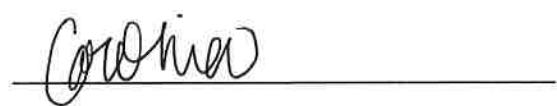
APPROVED BY:



Vance Falbaum, Secretary

Date: 12/3/25

Prepared by:



Carolina Cordova, TAA Clerk

Date: 12/3/25