

**TUCSON AIRPORT AUTHORITY | Board of Directors Regular Meeting
Monday, March 4, 2026 | 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, *Secretary Vance Falbaum, Treasurer Rhonda Piña, Director Tim Overton, Director Todd Jackson, *Director Fran Katz, Director Ellen Wheeler, *Director Judy Rich, and Director Carol Stewart.

Directors Absent: Director Calline Sanchez.

Staff Present: President/CEO Danette Bewley, Executive Vice President/Chief Operating 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, Chief People Officer Kim DeLaTorre, Deputy Chief of Finance Mary Fowler, Deputy General Counsel Kim Outlaw Ryan, Associate General Counsel LeCarie Whitfield, IT Customer Support Technician Hector Lopez, and TAA Clerk Carolina Cordova.

*** Joined the meeting following Board approval of the Consent Agenda.**

2. CONSENT AGENDA

Chair Michael Hammond called for a motion on Board approval of the January 26, 2026, Board of Directors Meeting Minutes, which was the only item on the Consent Agenda. There being no discussion, a motion was made:

Motion by Director Ellen Wheeler, seconded by Treasurer Rhonda Piña, to approve the Consent Agenda. The Motion carried by the following vote:

Ayes (7) Hammond, Swaim, Piña, Jackson, Overton, Wheeler, Stewart
Nays (0)

3. BOARD CHAIR REPORT

a. TAA Advocacy

- Chair Michael Hammond reminded the Board of the ease and convenience of promoting TUS as a travel first option. Additionally, he provided awareness as to the importance of checking TUS before any competitors.

- Additional grant funding for the Airfield Safety Enhancement (ASE) project is tentatively approved.
- Chair Michael Hammond discussed his experience at the TAA Triennial Drill on February 25, 2026, which is an exercise to evaluate the airport's emergency management response and compliance with requirements set by the FAA. The two new fire trucks were able to demonstrate their capabilities and successfully extinguished a simulated aircraft fire during the drill. He further mentioned that the new fire trucks were stationed right outside the windows of the Board Room, for Members to observe during the meeting.

4. PRESIDENT/CEO REPORT

a. President/CEO Danette Bewley provided an industry and TAA Airport System update:

- The Triennial Drill event involved airline representatives, Arizona National Guard, City of Tucson Fire Department, Tucson Police Department, and Pima County Sheriff's Department among many other community partners. President/CEO Danette Bewley was an evaluator and observed the Executive Team during the drill. The TAA opened its Emergency Operation Center, where representatives from TAA departments, federal and local agencies, military partners, airlines, and other stakeholders gathered to support the drill. Additionally, Banner Hospital representatives were involved and tested its emergency management processes by receiving mock victims. At the end of the day, the team came together and talked about what worked well and areas for improvement.
- President/CEO Danette Bewley referred to the fire trucks stationed outside the Board Room and reported that these fire trucks serve two purposes for TAA: replacing the two existing fire trucks which are at the end of their useful life and eliminating PFAS containing firefighting foam use at the airport. The new fire trucks utilize fluorine-free foam rather than PFAS containing foam and are expected to be in service by the end of the month of March.
- EVP/COO Bruce Goetz advised that the new fire trucks and fluorine-free foam are in the final phases of output testing to meet FAA requirements.
- Following the Triennial Drill exercise, the TAA spent three (3) days with the FAA for the intense day and night annual FAR Part 139 airport certification inspection. During this inspection, two tenant-related discrepancies and one TAA discrepancy was resolved immediately. President/CEO Danette Bewley noted that the outstanding results achieved during the FAA inspection reflect the TAA's pride in operating the airport at a continuous state of readiness and in compliance with FAA regulations.
- President/CEO Danette Bewley spoke about the most recent partial federal government shutdown and how it has impacted air transportation security. In the recent partial shutdown, the Department of Homeland Security employees in TSA and CBP (Customs and Border Patrol) are no longer receiving paychecks.

Last Friday was the first pay period in which TSA essential workers did not receive a full paycheck. The TAA has re-opened the temporary food bank at TUS and is offering other allowed assistance to the affected federal employees. She reported that morale of federal employees at TUS has been positive, however, expressed concern for a decline in morale if the shutdown continues for a long period considering the industry is entering peak travel demand season, starting with spring break travel.

- President/CEO Danette Bewley reported that VP/CFO Kim Allison will be exiting her role as VP/CFO of the TAA on March 13, 2026. She introduced Deputy Chief of Finance Mary Fowler, who will be acting as Interim CFO for the foreseeable future. President/CEO Danette Bewley reported that VP/CFO Kim Allison will continue to assist with this transition as a consultant and thanked VP/CFO Kim Allison for her hard work and dedication during the last three years.

b. TAA Legislative Priorities

- EVP/COO Bruce Goetz and President/CEO Danette Bewley met with the FAA Airports District Office last week to outline the TAA's request for \$100 million to complete the ASE program. As a follow up to this, they will meet with the FAA Regional Airports Division to present TAA's request for FY27 funding. They are hopeful for at least \$50 million next year. TAA is planning a commissioning date for the new runway in April 2027.

c. Strategic Plan | Update

- EVP/COO Bruce Goetz highlighted key features from the memo and PowerPoint provided in the agenda packet. President/CEO Danette Bewley quickly noted that a May Member Breakfast will be held to provide further updates on Air Service Development and a comprehensive dive into Business and Commercial Development.
- EVP/COO Bruce Goetz reported that the project to rewrite the Airline Use Agreement is nearing completion. This project has been underway for more than a year, and the updated agreement will include critical changes that reflect how airports operate in modern times. Importantly, the new draft agreement commits signatory airlines to a 10-year agreement with TAA.
- EVP/COO Bruce Goetz reported that TAA will be deploying a new access control system. This is a multimillion-dollar project that will cover the replacement of all cameras in the airport.
- EVP/COO Bruce Goetz reported on cybersecurity efforts for the protection of the airport's systems. The I.T. department is learning from recent cybersecurity hacks at Tulsa Airport. Continuous efforts in this area help to make the airport system more secure.
- EVP/COO Bruce Goetz reported on External Champions for this period: Frontier Airlines commenced new non-stop service from TUS to Salt Lake City began on

January 9, 2026. The Marketing Department has created and purchased television advertising time for commercials promoting TUS.

- President/CEO Danette Bewley and CCO Austin Wright have continued community outreach efforts focusing on the towns of Marana and Oro Valley to keep promoting TUS as a “fly first” option for residents.
- As a part of TAA Champions efforts, President/CEO Danette Bewley, CCO Austin Wright, and EVP/General Counsel Chris Schmaltz will be traveling to Washington D.C. in two weeks, to meet with the Arizona delegation to discuss funding for the ASE Program, PFAS remediation funding and airport liability protection.

5. DIVISION UPDATES

a. VP/CFO Kim Allison and VP/CRO John Voorhees provided the following Finance update:

- VP/CRO John Voorhees provided an update to the first two slides in the finance materials, as the information is closely tied to the Business and Commercial Development department (BCD). He reported that airlines are slightly under performing year-over-year in terms of landed weight. When it comes to the budget, TAA relies on the projections of its airline partners as part of the revenue assessment. When the FY26 budget was being planned last year, the airlines were optimistic in their projections. VP/CRO John Voorhees reported that March is a peak month for TUS, and we generally see a spike in revenue. VP/CRO John Voorhees further reported that we generally see a similar trend with passenger travel. President/CEO Danette Bewley added that TUS experienced a decline in November 2025 due to the first federal government shutdown.
- VP/CRO John Voorhees explained that the Air Service Development team is routinely aggressive in its effort to attract more air service to TUS. President/CEO Danette Bewley added that CCO Austin Wright was invited to and is attending the Routes America conference, to speak with airlines about expanding existing service or adding new service routes to TUS.
- Director Judy Rich commented that she is agreeable with an aggressive budget, and President/CEO Danette Bewley was happy to discuss the management of our budget.
- VP/CFO Kim Allison advised that TAA conservatively estimates its annual requirements when preparing the operating budget. Under this strategy, TAA typically comes in under budget at year end. This is a favorable outcome because as the entity responsible for operating the airport, TAA does not want to go to the airlines at the end of the fiscal year asking for more money. VP/CFO Kim Allison shared First Quarter results, reporting that TAA revenues are favorable to budget over 25% and have more than 25% savings on expenses. Concessions revenue for First Quarter continues to outperform, with rental car and parking as the largest income producers. BCD continues to see good progress with rental

car operations and budgeted for a 10% revenue lift which we are successfully outperforming.

- Director Todd Jackson asked if the increase in airport parking fees has had a corresponding reduction in parking volume. VP/CRO John Voorhees stated that overall volume is down, but this is being monitored while they shift traffic from overly used venues to less commonly used venues. Secretary Vance Falbaum asked whether outside parking vendors have raised their prices as well. VP/CRO John Voorhees stated that outside parking lot providers appear to have increased their prices as well, either as rate increases or additional fee charges.
- VP/CFO Kim Allison reported that VP/CRO John Voorhees regularly has deals in the works and prospective tenants ready to sign agreements. These are not included in the budget until the agreements are actually signed. With operating expenses, TAA is favorable to the budget due to conservative spending.

b. VP/COO Bruce Goetz provided the following ASE update:

- An aerial drone video showing the progression of work on the ASE project was presented to the Board of Directors.
- The new runway and intersections are in place, and the contractor will begin pouring concrete on approximately March 17, 2026.
- There are bunkers bordering the runway area that will soon be demolished. Chair Michael Hammond asked if there were any environmental issues with the bunkers. EVP/COO Bruce Goetz advised that this is as yet unknown, but a remediation plan will be developed if needed.

6. ACTION ITEM

Chair Michael Hammond called for a motion to be made to enter Executive Session:

Motion by Director Phil Swaim, seconded by Director Fran Katz, to enter into Executive Session at 4:01 P.M. The Motion carried by the following vote:

Ayes (10) Hammond, Swaim, Piña, Falbaum, Jackson, Katz, Overton, Wheeler, Stewart, Rich

Nays (0)

7. RETURN TO REGULAR SESSION

The Board of Directors returned to regular session at 4:29 P.M.

8. NEXT MEETING

Wednesday, May 6, 2026, at 3:00 P.M. | TAA Board Room

9. ADJOURN

Chair Michael Hammond adjourned the meeting at 4:29 P.M.

APPROVED BY:

Prepared by:

Vance Falbaum, Secretary

Date: _____

Carolina Cordova, TAA Clerk

Date: _____

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