TUCSON AIRPORT AUTHORITY
TUCSON INTERNATIONAL AIRPORT • RYAN AIRFIELD

DRAFT - MINUTES

TUCSON AIRPORT AUTHORITY |Board of Directors Regular Meeting
Wednesday, August 5, 2026|4:00 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 4:05 P.M.

Directors Present: Chair Michael Hammond, Vice Chair Phil Swaim, Secretary Vance Falbaum, Treasurer Rhonda Piña (via Teams), Director Tim Overton, Director Todd Jackson (via Teams), Director Ellen Wheeler, Director Judy Rich, Director Calline Sanchez (via Teams), and Director Carol Stewart (via Teams).

Directors Absent: Director Fran Katz

Staff Present: President/CEO Danette Bewley, Executive Vice President/Chief Operating Officer Bruce Goetz, Executive Vice President/General Counsel Chris Schmaltz, Vice President and Chief Revenue Officer John Voorhees, Vice President and Chief Financial Officer Mary Fowler, Chief People Officer Kim De La Torre, Chief Communication Officer Austin Wright, Deputy General Counsel Kim Outlaw Ryan, Associate General Counsel LeCarie Whitfield, IT Customer Support Technician Hector Lopez, and TAA Clerk Carolina Cordova.

TAA Members Present: Steve Bossé, Angela Gee, and Linda Mazon Guitierrez.

2. **CONSENT AGENDA**
Chair Michael Hammond called for a motion for Board approval of the May 6, 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 Vance Falbaum, seconded by Director Ellen Wheeler, to approve the Consent Agenda. The Motion carried by the following vote:

Ayes (10) **Hammond, Swaim, Falbaum, Piña, Jackson, Overton, Wheeler, Stewart, Rich, Sanchez**
Nays (0)

3. **BOARD CHAIR REPORT**
   a. **TAA Advocacy**
      - Chair Michael Hammond reported on attending the Financial Council Meeting that occurred August 5, 2026, at 3:00 PM, prior to the Board meeting. He commented positively on the new Airline Use Agreement that will provide transparency for the airlines in terms of how costs are allocated. He commended Vice President and Chief Financial Officer Mary Fowler and her team for all their hard work.
      - Chair Michael Hammond expressed the importance of the TAA Membership being involved in the community. He recognized TAA Members Lesah Sesma and Amanda Wiggins who were included in the BizAwards section of Women Leading the Region in the BizTucson summer 2026 edition, due to their involvement in the community. He also acknowledged the CEO of Visit Tucson, Felipe Garcia, who was included in the BizTucson summer 2026 edition under the BizTravel section. The articles are included in the Board meeting materials.
      - The May 2026 Member Breakfast and Business Meeting has been rescheduled for the afternoon of October 15, 2026. He expressed the importance of attending this event and Vice Chair Phil Swaim added that it is important for the TAA Members to be champions of activities of the airport.

4. **PRESIDENT/CEO REPORT**
   a. **President/CEO Danette Bewley provided an industry and TAA Airport System update:**
      - President/CEO Danette Bewley discussed the impact, globally, of high fuel prices on airlines' operating networks, with airlines contracting their service offerings or removing flights altogether in certain markets. The airlines serving TUS have lowered profit forecasts as the fuel pricing escalations continue. Although capacity has slightly declined, revenue remains positive. We are communicating with the airlines about their future plans to ensure our budget forecasts are accurate at TUS; however, airlines are reluctant to commit, as they normally would, due to ongoing economic uncertainties.
      - President/CEO Danette Bewley discussed the monumental achievement of modernizing and finalizing a 10-year Airline Use Agreement (AUA). As you know, the TAA had been operating with an agreement that was developed in the 1980's and amended ever since. She stated a long-term AUA allows the airport more certainty, especially as we approach million-dollar capital programs.
      - She reported on notable staff changes, including Mary Fowler being named as Vice President and Chief Financial Officer, Chief Scott Bader, who is retiring from the TAA after 20 years of service, and Tom Bailey being hired as the new Chief of Police. Chief Bailey's swearing-in ceremony will be held during the September Board of Directors Meeting. Director of Properties and Concessions Emin Aydin

left the TAA for an opportunity at an airport in Florida. Vice President and Chief Revenue Officer John Voorhees is actively recruiting to fill this position.

- President/CEO Danette Bewley reported that TAA continues discussions with the FAA on the Airfield Safety Enhancement (ASE) project. She remains confident that the FAA will continue to commit federal funds that support TAA's capital projects.

5. **ACTION ITEMS**

Vice President and Chief Revenue Officer John Voorhees referenced the accompanying materials and provided a brief overview of each item and Chair Michael Hammond called each action item for approval and opened the floor for Board discussion on each item separately.

Motion by Director Judy Rich, seconded by Director Tim Overton, to approve Resolution No. 2026-10, approving the winning bidder of the Terminal Advertising Services Contract RFP, and delegating authority to the CEO or her designee(s) to execute a Terminal Advertising Services Contract. The Motion carried by the following vote:

Ayes (10) Hammond, Swaim, Falbaum, Piña, Jackson, Overton, Wheeler, Stewart, Rich, Sanchez
Nays (0)

Motion by Director Tim Overton seconded by Director Ellen Wheeler, to approve Resolution No. 2026-11, approving the delegation of authority to the President/CEO, or her designee, to negotiate and execute an agreement with Oso Energy Storage LLC for Oso Energy Storage due diligence review and lease of TAA property. The Motion carried by the following vote:

Ayes (10) Hammond, Swaim, Falbaum, Piña, Jackson, Overton, Wheeler, Stewart, Rich, Sanchez
Nays (0)

Motion by Director Carol Stewart, seconded by Vice Chair Phil Swaim, to approve Resolution No. 2026-12, approving the delegation of authority to the President/CEO, or her designee, to negotiate and execute an amendment to the existing Lease with Raytheon Company. The Motion carried by the following vote:

Ayes (10) Hammond, Swaim, Falbaum, Piña, Jackson, Overton, Wheeler, Stewart, Rich, Sanchez
Nays (0)

6. **PRESENTATION AND DISCUSSION**
   a. **The Board received a presentation and held a study session on a new proposed Rental Car Customer Facility Charge Program for TUS:**
      - Executive Vice President and General Counsel Christopher Schmaltz provided an overview of the proposed Customer Facility Charge (CFC) Program during the study session. He explained that the CFC program is a user fee that supports infrastructure serving commercial airport activities related to rental car programs. Key benefits include aligning revenues associated with the program with the facilities and services of rental car users and beneficiaries, while also providing greater financial flexibility. President/CEO Danette Bewley noted that the proposed CFC program is consistent with airport programs across the nation.
      - Vice President and Chief Revenue Officer John Voorhees and Vice President and Chief Financial Officer Mary Fowler further explained the current CFC program and why the establishment of the proposed CFC Program is recommended. The current CFC program was instituted to pay off debt for the investment in the current 'Rent-A-Car' (RAC) facility. This debt repayment will be honored under the new CFC Program, if adopted, with additional revenues under the new CFC Program being used for projects mentioned in the Board Memo and proposed Resolution, accompanying the Board meeting materials. Also, the proposed projects to be paid for by the new CFC are included in the proposed FY27 TAA Operating and Capital Budget. TAA has engaged in open conversations with rental car partners about the new rates and benefits of the new CFC Program and to address any concerns.
      - The proposed CFC program addresses the capital improvement needs of the RAC users. Urgent projects include the RAC restroom facilities, parking garage lighting, and underground storage tanks. A possible larger capital project in the future is to upgrade the RAC facility, which is currently at capacity for the brands that operate there. Upgrading the facility would allow more rental car companies to operate at TUS, rather than at a site off campus, and create more revenue for the airport.
      - Vice Chair Phil Swaim asked questions to clarify statements in the study materials and presentation about the cost to construct a new RAC facility and the proposed revenue improvement under the new program. VP/CRO John Voorhees provided as example that RAC facilities may cost over $100 million to construct. He also explained that under the new CFC Program, car rental revenues may double if average length of rental grows. EVP/GC Christopher Schmaltz affirmed that a per contract day CFC rate is an industry standard. Director Tim Overton asked whether revenue segregation of CFC revenue is significantly different from how CFC revenue is currently being recorded. VP/CRO John Voorhees explained that the current reporting method is neither as transparent nor as strategic as TAA would like and that the proposed new CFC revenue reporting structure is a more sophisticated model. Under the new CFC Program, there is more clarity and greater visibility into how the money will be spent. VP/CFO Mary Fowler further explained the proposed CFC Program removes RAC revenue from the airlines' rate base calculation.

- President/ CEO Danette Bewley clarified that the proposed CFC Program is the result of an ongoing financial overhaul within the TAA over the past few years. TAA is thinking proactively. Many of the Board Members voiced positive feedback regarding this proposed change to the CFC Program. There was further discussion on the parking garage and possible solutions. VP/CRO John Voorhees generally described the possible expansion options; however, such items will be considered as part of the updated Airport Master Plan process. TAA plans to present a memo and resolution for the Board's review and approval at the September Board of Directors Meeting.

7. NEXT MEETING
Wednesday, September 2, 2026, at 3:00 P.M.|TAA Board Room

8. ADJOURN
Chair Michael Hammond adjourned the meeting at 4:55 P.M.

APPROVED BY:	**Prepared by:**
___________________________________	___________________________________
Vance Falbaum, Secretary	Carolina Cordova, TAA Clerk
Date: ____________________	Date: ____________________