



Meeting Location:
City Council Chambers
200 W. Jefferson St.
Phoenix, Arizona 85003

City of Phoenix Minutes

City Council Policy Session

Tuesday, May 7, 2024

2:30 PM

phoenix.gov

CALL TO ORDER

The Phoenix City Council convened in Policy Session on Tuesday, May 07, 2024, at 2:31 p.m. in the Council Chambers.

Present: 9 - Councilman Carlos Galindo-Elvira, Councilwoman Betty Guardado, Councilwoman Kesha Hodge Washington, Councilwoman Ann O'Brien, Councilwoman Laura Pastor, Councilman Kevin Robinson, Councilman Jim Waring, Vice Mayor Debra Stark and Mayor Kate Gallego

COUNCIL INFORMATION AND FOLLOW-UP REQUESTS

Councilwoman Guardado expressed gratitude to everyone who attended the last Maryvale Mercado of the year, celebrating Cinco de Mayo in Maryvale with vibrant energy, music, dancers, and local entrepreneurs. She said the event showcased community support and the park was bustling with festive activities. She highlighted the importance of activating neighborhood park spaces and beautifying the Maryvale area. She shared plans for the Maryvale Mercado in 2025 and invited everyone to join Unidos at Maryvale Park on May 18. She mentioned a retail survey conducted by the District 5 Office and the City to identify opportunities for new businesses and services along the 27th Avenue Retail Corridor. She invited everyone to the Homestead Park Summer Splash Bash on May 25.

Councilwoman Pastor announced the upcoming Westside Community coffee chat at Tortas Bakim on May 27 to discuss the City's heat response effort and the Gated Alley Program. She congratulated Jacquelyn Edwards on becoming the new director of the Human Services Department and highlighted the International District as the cultural hub of Phoenix. She thanked the Arizona Asian Chamber of Commerce for hosting the Asian Night Market and celebrated Asian-American and Pacific Islander Heritage Month. She recognized Teachers Appreciation Week, encouraging everyone to thank a teacher. She also attended the 493 Firefighter Foundation event and

announced a community pool party on June 1 hosted by the Coronado Neighborhood Association.

Councilwoman O'Brien congratulated Community and Economic Development Director Chris Mackay for receiving the Distinguished by Excellence Award at the Annual Arizona Association for Economic Development event. She mentioned Ms. Mackay's outstanding work over her last 25 years of service to Arizona communities.

Councilman Galindo-Elvira reflected on his first few weeks in office. He attended the 11th Annual Police Officer Memorial to honor those who sacrificed their lives in the line of duty, including Officer Gilbert Chavis. He also celebrated outstanding youth leaders at the 38th Annual Outstanding Youth Leader of the Year Award Ceremony. He expressed appreciation to State Representative Cesar Aguilar for inviting him to the Cruise to the Capital event, highlighting cruising culture in the Valley. He mentioned he joined Mayor Gallego and Heat Response and Mitigation Director David Hondula on spreading awareness about heat relief cooling centers across the City. He also mentioned he attended various events, including the Cybersecurity and Infrastructure Security Agency (CISA), meetings with District 7 neighborhood organizations, and Workers United organization members. He encouraged residents of District 7 to reach out to him through various channels with suggestions, concerns, or questions, emphasizing his commitment to serving his constituents.

This item is scheduled to give City Council members an opportunity to publicly request information or follow up on issues of interest to the community. If the information is available, staff will immediately provide it to the City Council member. No decisions will be made or action taken.

CONSENT ACTION

This item is scheduled to allow the City Council to act on the Mayor's recommendations on the Consent Agenda. There is no Consent Agenda for this meeting.

CALL FOR AN EXECUTIVE SESSION

A vote may be held to call an Executive Session for a future date.

REPORTS AND BUDGET UPDATES BY THE CITY MANAGER

This item is scheduled to allow the City Manager to provide brief informational reports on topics of interest to the City Council. The City Council may discuss these reports but no action will be taken.

INFORMATION AND DISCUSSION (ITEMS 1-2)

1 Fiscal Year 2024-25 City Manager's Proposed Budget

Discussion

City Manager Jeff Barton discussed the development of the Fiscal Year 2024-25 budget, acknowledging the unique challenges posed by the aftermath of the pandemic. He said despite having an \$80 million surplus, recent State actions have impacted the City's ability to maintain vital services for residents. Mr. Barton said that looking ahead to Fiscal Years 2025-26 and 2026-27, there are concerns about facing fiscal cliffs and shortfalls due to legislative actions. He stressed that the budget presented aims to sustain current services while preparing for future uncertainties. Mr. Barton stated the importance of proactive measures to safeguard against potential challenges.

Budget and Research Director Amber Williamson provided a recap of the General Fund budget status presented in February and March, highlighting the estimated surplus of \$80 million for the upcoming fiscal year. She noted projected deficits in future years due to State actions affecting revenue. Ms. Williamson emphasized the importance of setting aside the surplus to preserve critical programs and services and maintain a balanced budget. She also discussed opportunities for residents to provide feedback on the budget and outlined themes and comments received during community hearings. She outlined next steps for the legal budget adoption process, including action dates and property tax levy adoption.

Councilwoman Pastor expressed understanding regarding the decision to hold the \$80 million surplus in the budget, recognizing that some savings may have come from vacancies. She raised concerns about ensuring that the Crisis Response Team positions are filled and maintained throughout the process.

Ms. Williamson clarified that departments, including the Crisis Response Team program, are free to fill vacant positions as needed. She stated the budget includes a budgeted amount for vacant positions to account for attrition, but no department is restricted from filling their vacancies.

Councilwoman Pastor reiterated the importance of ensuring that critical positions are filled, emphasizing their significance to the community and their impact on addressing homelessness and other community issues.

Mayor Gallego opened the floor to public comment.

Eric Nielsen began by addressing a past incident and expressing apologies to the last officer who arrested him, acknowledging the circumstances and his frustration at being taken to Central Booking. He expressed sympathy over the challenges posed by the State's actions affecting the City's finances. He then delved into the importance of strong leadership for financial success, citing examples like Bill Gates and Elon Musk. Mr. Nielsen praised individuals in the room for their leadership.

Patrick McDaniel, speaking on behalf of the Phoenix Committee Alliance, expressed support for the current budget proposal, stating the need to maintain funding for essential services and programs. He urged against reductions in funding for the Office of Homeless Solutions, grants for public art maintenance, programs promoting active transportation, and staff in Planning and Development. Mr. McDaniel highlighted the importance of these services for a rapidly growing city, particularly in downtown areas. He also advocated for preserving historic assets and increasing staffing in the Housing Department to provide affordable housing. He thanked the City for its work on the budget and appreciated the opportunity to speak.

Luke Black expressed his opposition to the budget, citing disappointment in its allocation of funds, particularly towards the Police. He highlighted the perceived contradiction between claims of financial constraints and the budget's allocation of an additional \$27 million to the police. Mr. Black argued that this allocation diverts resources from community needs such as emergency relief for heat, support for eviction, and improving

firefighter response times. He criticized the budget's provision for only five water stations in a City experiencing record heat, particularly noting the lack of heat relief options in the West Valley. Mr. Black urged Council to prioritize investing in community needs rather than increasing Police funding.

Carrie Lorraine expressed her opposition to the budget allocation stating she was a single mother who has experienced homelessness multiple times. She said that increased funding for the police does not address the community's needs and does not help individuals like herself who rely on public transportation and face eviction threats. Ms. Lorraine highlighted the importance of access to water, legal representation, and housing assistance in improving community safety and well-being. She advocated for reallocating resources towards meeting these essential needs rather than increasing Police funding.

Guadalupe Anaya expressed concerns about the City budget allocation. She mentioned that although there was an \$80 million surplus in the General Fund, it has not been confirmed how it will be utilized for community services. Ms. Anaya criticized the decision to allocate an additional \$27 million to the police instead of investing in housing, water, and heat relief programs. She emphasized the need for more water fountains, legal aid for those facing eviction, and protection of tenants' rights. Ms. Anaya urged the City to prioritize community needs over Police funding and to allocate resources accordingly.

Viri Hernandez expressed frustration with the allocation of funds in the City budget. She highlighted the pattern of consistently funding the Police while essential resources remain underfunded. Ms. Hernandez criticized the decision to allocate an additional \$27 million from the General Fund to the Police, emphasizing that this money should be invested in addressing root causes of issues rather than increasing policing. She called for investment in programs like eviction support to prevent homelessness and legal aid to protect tenants' rights. Ms. Hernandez emphasized the need for solutions that address community needs and urged for investments in resources like water stations and heat relief, particularly in West Phoenix where displaced individuals often seek refuge.

Blanca Abarca expressed frustration with the allocation of funds in the budget. She emphasized the importance of investing in the community and addressing the needs of residents. Ms. Abarca criticized the decision to allocate \$27 million to the Police instead of investing in community programs and resources. She highlighted the negative impact of violence on youth and called for investments in parks and healthy recreational spaces. Ms. Abarca also expressed willingness to contribute to the community, offering her assistance in accounting if needed.

Angelina Marcice expressed dissatisfaction with the decisions made regarding the budget. She criticized the allocation of funds, particularly \$27 million going to the Police while essential community needs like water fountains were neglected. Ms. Marcice highlighted the potential consequences of these decisions, including more deaths due to dehydration and increased homelessness. She emphasized the responsibility of the Council for these outcomes and expressed disillusionment with injustice in the country.

Lo Svitak stated the importance of investing in community solutions rather than allocating funds to the police. She highlighted the need for support in addressing homelessness, public transportation, arts and history preservation, affordable housing, heat relief, and eviction support. Ms. Svitak criticized the allocation of \$27 million to Police, stating that it perpetuates violence rather than providing effective solutions. She advocated for redirecting these funds to support community needs such as water access, housing, and emergency eviction legal services. Ms. Svitak concluded by rejecting the allocation of additional funds to the police and supporting investment in community funding.

Estela Varela expressed frustration with the lack of attention given to community needs by local officials. Ms. Varela emphasized that the community is not simply requesting assistance but demanding it, as they contribute their hard-earned tax money each year. She criticized the rising cost of living and highlighted the disconnect between elected officials and the community they serve. Ms. Varela mentioned their grassroots efforts to engage with the community and address its needs, contrasting it with insufficient action from elected representatives. Ms. Varela

presented three demands to the Council: the installation of water fountains outside buildings and parks, accessible housing for those experiencing homelessness, and a service to assist people facing eviction due to financial hardship. She questioned the allocation of \$27 million to Police and urged officials to redirect funds toward community support initiatives. Ms. Varela concluded by challenging the Council to prioritize the needs of the community over other expenditures.

Isabel Garcia expressed disappointment with the proposed City budget. She highlighted the allocation of an additional \$27 million from the General Fund to Police, instead of prioritizing the needs of the community. She acknowledged some investments in affordable housing and water stations but argued they are insufficient for a City as large as Phoenix. She emphasized the inadequacy of only five additional water stations, especially considering the displacement of unsheltered individuals to areas where these resources may not be available. Ms. Garcia also criticized the lack of permanent funding for the Emergency Eviction Legal Services Program. She called for the reallocation of funds from the Police budget to adequately fund water stations, heat relief efforts, and legal support to prevent evictions. Ms. Garcia concluded by urging officials to stop diverting tax dollars to the police and to reinvest in neighborhoods to address root causes and meet the immediate needs of residents.

Hector Jaramillo expressed concern over the recent budget allocation, particularly the decision to allocate an additional \$27 million to Police despite claims of a deficit. He emphasized that this move prioritizes policing over the safety and well-being of communities. He urged the Council to redirect the \$27 million towards initiatives that benefit the community, such as expanding access to drinking fountains and extending heat relief hours citywide during the summer. Mr. Jaramillo emphasized the urgent need to expand and permanently fund the Emergency Eviction Legal Services Program, as many residents face eviction threats amid rising housing costs and economic instability. He shared a personal story about his partner, a preschool teacher, whose class was shut down due to budget cuts at her school, explaining the real impact of budget decisions on the community's children. Mr. Jaramillo concluded by saying that communities deserve investments prioritizing

real safety, community investment, and housing security. He expressed hope that resources would be allocated to policies meeting the genuine needs of residents to uphold equity and justice.

Ben Laughlin expressed opposition to the City budget, particularly highlighting the increase in the Police budget. He said the department is under budget by \$40 million last year, yet there's a proposed increase of \$27 million in the current budget. Mr. Laughlin questioned the rationale behind increasing the budget for a department that has historically been under budget, especially when other essential services like Fire are facing budget cuts. He emphasized the importance of addressing issues at their root and investing in resources that truly make neighborhoods healthy and safe. Mr. Laughlin urged for more permanent support for housing units and funding for legal assistance for renters. He emphasized the need for accessible water in all parks and public spaces, suggesting that the \$27 million allocated for Police could be better spent on resources that save lives.

Luz Lucero shared her struggles with housing instability and the stress it has caused for her and her family. She said that living in a trailer park, she experienced fear of eviction and described feeling unsafe due to constant pressure from the park manager. Ms. Luz shared the difficulties of balancing work, motherhood, and household responsibilities while dealing with the uncertainty of her housing situation. She recounted a recent health scare that she attributes to the stress of her living conditions. Ms. Luz mentioned having an attorney, but she has not seen resolution to her housing issues and expressed a plea for support from her community and local representatives. She emphasized her desire to provide a better quality of life for her children and requested assistance in navigating her housing crisis.

Betra Rita expressed her opposition to the allocation of \$27 million to Police, emphasizing the community's concerns and priorities regarding housing security. She mentioned how residents living in fear often face threats of eviction and feel unsupported by law enforcement. Ms. Rita highlighted the struggles of individuals who have been evicted and ended up being homeless due to the high cost of rent. She underscored the need for police reform and expressed her determination to advocate for

the safety of her children and community members. She urged for greater community involvement in decisions regarding the use of taxpayer funds.

Gloria Saucido expressed her surprise and disappointment regarding the allocation of funds to the police instead of addressing the community's needs. She shared a personal story about her daughter and grandchildren ending up on the streets due to a lack of legal assistance, leading to stress and substance abuse. Ms. Saucido stated the need for accessible water sources, especially for people experiencing homelessness, highlighting the harsh conditions in parks and restrooms. She pleaded for the Council to prioritize the community's requests for basic necessities in Arizona's extreme heat.

Jostina Hernandez expressed her direct appeal to the Council to be compassionate towards the community. She questioned the allocation of millions of dollars to the police, suggesting that the funds could be used for extravagant parties or events instead of addressing the community's needs. She asked the Council to listen to the voices of the community and distribute the funds to address their various needs.

Arnob Kabir commented on his struggle to find parking, then established his involvement in addressing homelessness in the Phoenix area. He opposed the budget, particularly the allocation of \$27 million to Police, questioning their effectiveness and fairness, especially towards minority populations. Mr. Arnob emphasized the need for more resources for minority and impoverished communities, including additional water stations and heat relief funding. He concluded by urging for Phoenix's renewal through community support rather than violence.

Teresa Hill advocated for various initiatives to support vulnerable populations, including legal counsel for individuals facing eviction, additional fire trucks, permanent housing for low-income residents, and assistance with utility bills and medication costs. Ms. Hill emphasized the need for outreach programs for the homeless population, calling for full-time shelters, mobile assistance vans, and increased funding. She requested the Council allocate resources, possibly from the existing budget, to address homelessness and prevent unnecessary deaths on

the streets. She concluded by encouraging unity and collective action to uplift the City.

Anna Belding expressed her opposition to the City's budget. She stated she initially supported the budget but changed her stance upon closer examination. She criticized the allocation of \$27 million to Police, arguing that this money should be redirected to services that truly benefit communities and enhance safety. Ms. Belding called for more investment in accessible water, citing the inadequacy of only adding five new water stations and expanding heat relief hours at limited locations. She emphasized the importance of protecting people from extreme summer heat and urged the City to reallocate funds from the Police budget to increase the number of drinking fountains and extend heat relief hours until 10 p.m. at all locations. Ms. Belding advocated for expanded and permanent funding for legal support for individuals facing evictions, highlighting the need for investments in people's wellness rather than further empowering the police.

Rebecca Denis expressed her disappointment with the City's budget allocation. She appreciated some funded programs and services, but she emphasized that there's insufficient investment in critical services. She criticized the reliance on special revenue streams like grant funds, which are not sustainable for funding essential resources. She strongly opposed the allocation of \$27 million from the General Fund to Police. She demanded that this money be diverted to other City departments addressing urgent community needs and improving long-term health and quality of life. Ms. Denis also called for the expansion and permanent funding of the emergency eviction legal services program, more water stations, and extended heat relief hours until 10 p.m. She shared her personal experience of frequently calling 911 for her disabled mother's medical emergencies and highlighted the critical need for faster response times from firefighters. She criticized the lack of increased funding for firefighters.

Miros Domenzain expressed opposition to the budget and frustration with the allocation of an additional \$27 million from the General Fund to Police. She criticized the City for previously claiming there weren't

enough funds for essential community services, only to later allocate funds to the police. Ms. Miros emphasized the importance of access to water and basic needs, calling it a human right, and urged for the expansion of water stations and heat relief locations. She also highlighted the housing crisis and demanded the expansion and permanent funding of the Emergency Eviction Program. Ms. Miros expressed disappointment with the accessibility of the meeting, especially for Spanish-speaking individuals, and criticized the lack of adequate interpretation services for residents, particularly those from Maryvale. She emphasized that community members are expressing their needs and urged the Council not to ignore them.

Mayor Gallego closed the floor to public comment.

Councilwoman Pastor asked about the cost of the new water stations.

Deputy City Manager John Chan introduced Chief Innovation Officer Michael Hammett who has been involved in the pilot chilled water station project and could provide detailed information about the costs associated.

Mr. Hammett stated the cost for each water station is approximately \$8,500, and the installation costs range between \$15,000 and \$25,000 depending on existing infrastructure.

Councilwoman Pastor clarified that the total cost for complete installation is approximately \$30,000.

Mr. Hammett confirmed.

Councilwoman Pastor asked how much money was dedicated to the project.

Mr. Hammett explained that staff utilized the Innovation Fund approved by the Council during the last budget cycle. He said the City has procured five units with the budget allocated for the current fiscal year.

Councilwoman Pastor inquired about the specific allocation for the water stations.

Mr. Hammett explained that the water station project was part of the Innovation Fund budget, with about \$100,000 allocated. He said the pilot project aimed to identify and test new technologies for potential expansion throughout the City, starting in downtown. He stated with this budget, two units have been installed, and three more have been procured.

Councilwoman Pastor inquired whether the total of five units, comprising two already installed and three procured, would be covered by this budget or if there were plans for additional units beyond the initial five.

Mr. Hammett confirmed that funding for the chilled water station project would continue into the next fiscal year. He said in addition to the five units allocated in the current budget, there are plans to install two more units in the downtown area. He also mentioned that staff has applied for grant funding to support this initiative.

Councilwoman Pastor indicated that the pilot program for the chilled water station project appears to be primarily focused on downtown Phoenix.

Mr. Hammett clarified that while the pilot program began in downtown, it was based on community surveys and data analysis, including heat data from the previous summer. He said the program targeted areas near public buildings, transit, and high-density locations. Mr. Hammett mentioned partnerships with organizations like Downtown Phoenix Inc. to monitor and maintain the units were instrumental in piloting the program, with plans to expand to other areas such as Maryvale and South-Central Phoenix in the future.

Councilwoman Pastor summarized that seven areas have been identified for the placement of chilled water stations, with an approximate cost of \$150,000. She said efforts are underway to apply for grants to utilize heat data and calls for services to determine the demand for water stations throughout the City.

Mr. Hammett confirmed that the plan is to start from downtown and expand the network to other areas of the City for viability and

sustainability. He mentioned applying for other grants, including infrastructure funding in Maryvale, and recently applying for a Gila River Indian Community Grant worth approximately \$280,000 for various areas of the City.

Councilwoman Pastor expressed her concern about heat-related deaths and emphasized the need for additional water fountains throughout the City for heat relief. She suggested exploring the possibility of using American Rescue Plan Act (ARPA) funds to add more fountains and then transitioning the responsibility to the General Fund for ongoing maintenance. She mentioned the community's input during budget hearings and suggested considering reallocating funds, such as year-end surplus, to support heat relief efforts. She requested clarification on the allocation of \$27 million to Police.

Mr. Barton provided context for the increase in the General Fund budget, highlighting factors such as the citywide class and comp study for employees, rising pension costs, and vehicle expenses. He clarified that the 3.5 percent increase in the Police budget is consistent across most City departments. He also explained that the Fire budget appears to be decreasing due to the use of one-time capital funds to purchase fire vehicles for the next two fiscal years. These capital funds are utilized for large assets with a long useful life.

Mayor Gallego inquired about the inclusion of funds for participatory budgets, which would allow each Council District to allocate funds for projects such as additional water fountains within their respective districts.

Mr. Barton confirmed that each Council District has its own individual participatory budgets along with the Mayor's Office. He said there will be another exercise at the end of June to reallocate ARPA dollars, which could potentially be used as another source for adding additional chilled water stations.

Vice Mayor Stark asked approximately how many water fountains in City parks are chilled.

Mr. Barton confirmed that there are approximately 384 water fountains in

the Citywide park system, and about 71 percent of them, which is around 290, are chilled.

Vice Mayor Stark inquired if all of the City public buildings are mandated to have water fountains.

Mr. Barton confirmed.

Councilman Galindo-Elvira expressed gratitude and highlighted the importance of addressing the need for chilled water stations, particularly emphasized during the District 7 budget hearings. He mentioned ongoing conversations with Innovation staff to develop strategies for funding and placement of these stations. He stressed the significance of environmental factors, such as shade and high traffic areas, in determining suitable locations for the stations. He assured the audience that once a comprehensive strategy is formulated for his district, he would share it with the Mayor and Council.

Councilwoman Guardado sought clarification regarding the discrepancy between the \$25,000 allocated to each office and the estimated cost of \$30,000 for each water station, including installation.

Mr. Barton clarified that each water station costs around \$30,000 in total, so the \$25,000 allocated to each Council District may not cover the entire cost of a station. He said Council Offices have additional discretionary funds that could be used to supplement the budget for water stations.

Councilwoman Guardado expressed her understanding that while the cost of each water station is \$8,500, when factoring in installation costs, it becomes apparent that the \$25,000 allocated may only cover the expense of one station, requiring additional funds from other sources to finance additional stations.

Mr. Barton confirmed.

Mayor Gallego highlighted that the cost of installing water stations could vary based on factors such as proximity to existing water sources. She said if a public place already has a water source on-site, the cost may be

lower, but if water needs to be transported over a significant distance, the cost could be higher.

Mr. Hammett added that ideal locations for water stations maximize investment and minimize costs. He said access to electricity, sewer systems, and water lines can significantly reduce installation expenses. He said staff is considering heat mitigation technologies to preserve the chiller system, reducing the need for frequent replacements. He said staff plans to evaluate these factors thoroughly during the summer.

Mayor Gallego highlighted the potential for partnerships with school districts or other entities that already have infrastructure in place, which could help maximize resources. She emphasized that the budget's lower tax rate reflects a fiscally responsible approach, especially considering the financial strain many citizens are experiencing.

Councilwoman Hodge Washington highlighted the City's tenant eviction assistance program, emphasizing that it has received significant investment, with nearly \$3.7 million allocated. She mentioned that the program is expected to last at least through December and expressed a desire for additional funding to strengthen it further. She emphasized the importance of having legal assistance when dealing with eviction and encouraged residents facing such situations to explore the City's assistance program.

2 Phoenix Sky Harbor Capacity Planning

Discussion

Mayor Gallego shared exciting updates about Sky Harbor Airport, highlighting its significant economic impact and recognition as the number one large airport in the country by the Wall Street Journal. She emphasized the airport's role as a hub for businesses, families, and travelers, noting the bustling activity and increased traffic at Sky Harbor.

Deputy City Manager Mario Paniagua expressed his excitement about the remarkable growth and success of Sky Harbor Airport. He highlighted the airport's exceptional performance, customer experience, and the accolades it continues to receive. Mr. Paniagua emphasized the

significant economic impact of Sky Harbor, surpassing the gross domestic product of an entire state. He mentioned that in 2022, Sky Harbor was the busiest three-runway airport in the world based on takeoffs and landings, and the number of takeoffs and landings is expected to grow by more than eight percent when 2023 numbers are finalized. Mr. Paniagua underscored Sky Harbor's role as a vital community asset and discussed the importance of proposals to ensure its continued high performance for decades to come.

Aviation Director Chad Makovsky expressed his pride in the services provided by the team at Sky Harbor Airport, highlighting the awards and recognitions received for delivering high-quality service to travelers. He acknowledged the airport's role as the first and last impression for many visitors to the City and state. He mentioned that despite the airport's successes, staff noted challenges such as increased congestion on Sky Harbor Boulevard and in the passenger terminals due to significant growth rates. He reiterated the airport's status as the busiest three-runway airport in the world, with approximately one plane taking off or landing every minute. Mr. Makovsky outlined staff's plan to invest over \$3.5 billion in infrastructure modernization over the next six years, emphasizing that these investments are funded by airport revenue rather than local taxpayer dollars.

Assistant Aviation Director Jay Dewitt began by discussing the trends at Sky Harbor Airport. He highlighted record growth in 2023, making it the busiest year in the airport's history. Mr. Dewitt mentioned the significant increase in the number of new non-stop domestic and international routes, with the airport now serving more destinations than ever before. He cited the recent addition of routes, such as the Air France flight to Paris, as examples of the airport's expanding network. Mr. Dewitt presented data showing the growth in passenger traffic at Sky Harbor, with numbers largely returning to pre-pandemic levels by 2022 and reaching a new record in 2023. He projected continued growth in passenger traffic over the next few years, with airlines anticipating significant increases in 2024 and 2025. Another trend highlighted by Mr. Dewitt was the shift in passenger type, with a steady increase in origin and destination (O&D) passengers compared to connecting passengers. He stated the shift has implications for the airport's economic impact, as

O&D passengers contribute significantly to the local economy through activities such as car rentals, parking, and hotel stays. Mr. Dewitt also presented a comparison of Sky Harbor's O&D passenger percentage with other large hub airports in the United States, showing the airport's movement toward the middle of the group due to the increase in O&D passengers. Mr. Dewitt emphasized the importance of addressing the challenges posed by these trends and proposed solutions to ensure that Sky Harbor remains a vital economic asset for the community.

Deputy Aviation Director Jordan Feld discussed several challenges facing Sky Harbor Airport and proposed solutions to address these challenges. Mr. Feld highlighted the aging terminal facilities at the airport, particularly Terminal 4, which was built in 1990. He explained that these facilities were designed for smaller planes and lower passenger loads, leading to increased demand on infrastructure due to larger aircraft and higher passenger numbers. Mr. Feld presented images illustrating congestion in terminal areas during peak periods, emphasizing the strain on processing functions such as security and baggage claim. Mr. Feld outlined near-term investments totaling \$400 million in terminal facilities, including decentralized check-in and expanded baggage claim facilities. He noted that these investments would only alleviate some of the pressure, with terminal capacity projected to exceed demand by 2038. Mr. Feld also discussed challenges related to airspace and airfield capacity, including changes in Federal Aviation Administration (FAA) regulations impacting aircraft departures and potential noise impacts on surrounding communities. He emphasized the importance of maintaining operational efficiency and minimizing environmental impacts.

Mr. Feld presented plans for the future West Terminal, designed to accommodate increased demand and improve passenger experience. He described the terminal's conceptual layout, highlighting features such as sustainability measures, flexibility in design, and enhanced access for international travelers. Mr. Feld acknowledged that the development process for the West Terminal would be lengthy, involving regulatory approvals and environmental assessments. He outlined the timeline for completing these processes and commencing construction, with the terminal expected to be operational by 2037 or 2038. Mr. Feld underscored the importance of proactive planning and investment to

ensure that Sky Harbor Airport can meet future demand while maintaining high levels of service and minimizing environmental impacts.

Mr. Makovsky expressed appreciation for the feedback from the Mayor and Councilmembers and emphasized the importance of making proactive decisions regarding airport facilities. He acknowledged the uncertainty involved in predicting future demand but stressed the need to start the planning process now to avoid being caught off guard by future growth. Mr. Makovsky emphasized that starting now allows for a phased approach and the flexibility to adjust if necessary. He highlighted the importance of collaboration with federal agencies, business partners, and stakeholders to ensure the success of the planning process. Mr. Makovsky concluded by expressing optimism about the future of Sky Harbor Airport and invited feedback and questions from the audience.

Mayor Gallego opened the floor to public comment.

Cecelia Ortiz highlighted the challenges she faces as a worker with a heart illness and congestive heart failure. She expressed her love for her job assisting passengers with disabilities but noted her reliance on tips to make ends meet due to low wages. Ms. Ortiz brought attention to the stark contrast between her hourly wage of \$16 and the Chief Executive Officer of American Airlines' hourly wage of \$15,000, calling it an unfair disparity. As the City plans to invest billions of public dollars into expanding the airport, Ms. Ortiz urged the Council to ensure that these investments benefit the entire community. She emphasized the importance of prioritizing fair wages, benefits, and protections for airport workers, including healthcare and safe working conditions. Ms. Ortiz advocated for airport jobs to be good union jobs that lift workers out of poverty and empower communities, particularly those of Black, Brown, and immigrant workers. Ms. Ortiz concluded by expressing her pride in standing with a coalition of working people across the City who are united in their determination to create a better future for their families and communities.

Mayor Gallego closed the floor to public comment.

Councilman Robinson commended the excellent experience he has had

traveling through Sky Harbor Airport, describing it as one of the best airports he has ever been in. He expressed appreciation for the user-friendly layout and efficient operations of the airport. Councilman Robinson raised a consideration regarding the renaming of the West Terminal. He proposed naming it after Lincoln Ragsdale, whose legacy is currently honored by the Ragsdale Executive Terminal which will be demolished. Lincoln Ragsdale was a Tuskegee Airman who served in World War II and was deeply involved in civil rights and community activities in Phoenix. Councilman Robinson highlighted Mr. Ragsdale's exemplary service to the country and community, suggesting that naming the West Terminal after him would be a fitting tribute. He emphasized that renaming the terminal after Lincoln Ragsdale would align with the existing pattern of naming terminals after individuals who have made significant contributions to their community and country. Councilman Robinson thanked the Mayor and his colleagues for their time and consideration of his proposal.

Councilwoman Hodge Washington echoed Councilman Robinson's sentiments regarding the proposal to name the West Terminal after Lincoln Ragsdale. She emphasized Mr. Ragsdale's pivotal role as a pillar in the community, highlighting his service as a Tuskegee Airman and his contributions as a philanthropist. Councilwoman Hodge Washington noted that Mr. Ragsdale was considered as one of the East Lake Legends, further advocating for his name to be considered for the terminal in honor of his legacy.

Councilman Waring shared his support for the new terminal project, emphasizing the importance of planning ahead to ensure the functionality of the airport in the future. He also highlighted the need for effective communication about the airport's achievements and quality of service. Additionally, he mentioned the complexity of dealing with the FAA and suggested hiring a publicist to better promote the airport's accomplishments. He praised Sky Harbor's superior experience compared to other airports, particularly those on the East Coast, and questioned whether the airport had dropped out of the Top 10 in passenger rankings at some point.

Mr. Dewitt confirmed that Sky Harbor Airport had indeed fallen out of the

Top 10 ranking for a period around 2014-15 due to significant growth at other airports like Charlotte and Las Vegas. He noted that Sky Harbor consistently ranks in the 12 or 13 range and demonstrated resilience during the pandemic, even being the busiest airport in the country on certain days. He attributed this resilience to the strength of the local economy and community support for the airport.

Councilman Waring raised a concern about ensuring that the expansion of Sky Harbor Airport remains accessible and convenient for passengers, especially with the addition of another terminal. He mentioned the existing infrastructure like the Sky Train, airport loop, and access points to freeways and surface streets. He questioned the feasibility of maintaining this convenience with a significant increase in passenger traffic.

Mr. Makovsky outlined the three key elements considered in the airport master plan: landside or terminal access, ground transportation, and terminal processing. Mr. Makovsky discussed measures to manage increased traffic, including realignment of Sky Harbor Boulevard, addressing cut-through traffic, and utilizing Sky Train stations for ground transportation.

Mr. Feld highlighted that the Sky Harbor master plan includes solutions for addressing traffic and accessibility issues, particularly by improving landside areas such as the Interstate-10 off-ramps and Sky Harbor Boulevard. He mentioned the planned enhancements to the roadway structure within the airport and anticipated improvements in how people access the airport over the next 15 years. Overall, he expressed confidence in the plan's ability to handle these challenges effectively.

Councilman Waring shared a recent experience at the airport, noting heavy traffic congestion outside the airport despite the interior not appearing overly crowded. He questioned if this congestion was due to cut-through traffic, similar to rush hour traffic on major highways.

Mr. Feld affirmed Councilman Waring's observation, stating that indeed, during certain times of the day, cut-through traffic at the terminal core area can reach as high as 50 to 60 percent.

Councilman Waring proposed the idea of installing signs to redirect drivers away from the congested routes during peak traffic times, suggesting that it would save everyone some aggravation. He questioned the rationale behind drivers repeatedly choosing congested routes when there are alternative, less congested options available.

Mr. Feld mentioned discussions with the Maricopa Association of Governments (MAG) and Federal Highway Administration about addressing this issue. He highlighted challenges related to artificial intelligence and navigation apps not always accurately reflecting current traffic conditions, leading to drivers being directed through the airport area.

Councilman Waring stressed the potential risks of relying solely on artificial intelligence for navigation. He suggested improving signage to better inform drivers about congested routes.

Councilwoman Guardado expressed her appreciation for the proposed plan for the airport's expansion, acknowledging the City's growth and the importance of starting early in the planning process. She emphasized the need to remember that the airport's success is attributed to the hard work of the men and women who work there every day, highlighting their role as the economic engine that supports families and children in the community. She raised concerns about recent strikes and complaints at the airport, stressing the importance of implementing strong language to address these issues and ensure the protection of workers and passengers. Councilwoman Guardado referenced recent ordinances passed to address some of these concerns but urged continued efforts to protect workers and improve passenger experiences. She expressed excitement about the plans for the airport's future and conveyed confidence in the leadership team overseeing the project.

Mr. Makovsky highlighted the significant scale of the workforce at Sky Harbor Airport, noting that while the Aviation Department has around 950 employees, the airport itself employs over 47,000 individuals. He emphasized the importance of teamwork in ensuring the success of the

airport's operations and maintaining exceptional customer experiences.

Councilman Robinson left the meeting at 4:57 pm.

Councilman Galindo-Elvira expressed gratitude to staff for providing thorough briefings and patiently explaining aspects of the plan. He commended the forward-looking and well thought out nature of the plan.

Mayor Gallego highlighted Sky Harbor's pioneering efforts in various areas, such as technology for showing driver's licenses via mobile phones and the implementation of autonomous vehicles. She praised the airport's leadership in sustainability, particularly in energy efficiency, water use, and renewable energy initiatives. Mayor Gallego also emphasized Sky Harbor's commitment to accessibility, ensuring that all travelers, including those with visual impairment, dementia, or autism, feel welcomed and accommodated at the airport. She acknowledged the stress associated with travel and appreciated the airport's efforts to address diverse passenger needs.

Councilwoman O'Brien expressed gratitude to Aviation staff, as well as the volunteers serving airport guests. She expressed excitement about the airport's plans and inquired about the possibility of having a dedicated international terminal.

Mr. Makovsky explained that due to the unique mix of domestic and international traffic at the airport, they wouldn't recommend a dedicated international terminal at this time. Currently, international traffic represents only about 6 percent of the total mix, and many airlines serve both domestic and international destinations simultaneously. He proposed having an international concourse at Terminal 4, recognizing the growth in international traffic in Phoenix. He said the plan is to include an international facility in the new terminal, ensuring that both terminals have international operations.

Mayor Gallego affirmed that the new terminal would indeed be constructed with larger aircraft in mind, including those that fly internationally.

Mr. Makovsky clarified that the new terminal would be designed to accommodate the largest aircraft expected to operate in the community, including those equivalent to the Boeing 747 or Airbus A350. While there are no plans to accommodate the A380, the terminal could potentially accommodate an aircraft of that size on occasion if necessary.

Mayor Gallego highlighted the importance of sustainability and technological innovation in the new terminal, acknowledging the need for advances in these areas. She also mentioned the positive feedback received regarding changes like the Sky Train updates, which have improved access to the Rental Car Center. She expressed a commitment to expedite the delivery of the new terminal, recognizing the enthusiasm from the community.

Councilwoman Pastor expressed appreciation for the long-term planning and community input involved in the development of the airport. She emphasized the importance of growth and understanding the needs of both the present and future, especially considering the increasing size of aircraft. She mentioned the desire for increased flights and highlighted the need to assess and optimize concessionaire spaces. She made a request to consider improving amenities in women's bathrooms during the redesign process. Councilwoman Pastor expressed her support for naming the terminal after Lincoln Ragsdale, highlighting his significant impact on the community and his family's connection to the area.

ADJOURN

There being no further business to come before the Council, Mayor Gallego declared the meeting adjourned at 5:04 p.m.
