



TUCSON
AIRPORT
AUTHORITY

YEAR IN REVIEW 2011

ACHIEVING AIR SERVICE GAINS

Changes in the Air

TAA's first air service incentive plan took effect October. The plan is designed to attract service to new nonstop destinations from TIA by offering fee waivers and marketing support to airlines that institute qualifying new service. This initiative helps TIA compete with other airports for new domestic short haul, domestic long haul and international service.

New service in 2011:

- Southwest added a second daily flight to Chicago Midway in January.
- Frontier added weekly seasonal service to Milwaukee from January to April.
- US Airways added two Thursday to Sunday Phoenix flights in March.
- American Eagle added three daily flights to Los Angeles in April.

Announced for 2012:

- **Southwest will begin TIA's first nonstop service to Baltimore/Washington in February. Daily seasonal service is scheduled through April.**
- **American Eagle will institute a fourth daily flight to Los Angeles in February.**

AIRLINES

Alaska
American
Continental
Delta
Frontier
Southwest
United
US Airways

NONSTOP

SERVICE DESTINATIONS

Albuquerque
Atlanta
Chicago Midway
Chicago O'Hare
Dallas/Ft. Worth
Denver
Houston
Las Vegas
Los Angeles
Minneapolis
Phoenix
Salt Lake City
San Diego
San Francisco
Seattle

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AIRPORT.COM**

It's the way to go™

How fares compare

For the first time since Inside Tucson Business began conducting its annual survey more than five years ago, the lowest average roundtrip airfare for the 12 most heavily traveled destinations common to both airports is cheaper from TIA than Phoenix Sky Harbor. While the difference is only \$1, the article reveals that Tucsonans who fly TIA can save another \$129, on average, in mileage, fuel and parking costs. This on the heels of a Wall Street Journal report published last summer that used Dept. of Transportation data from the second quarter of 2011 to compare the average fare differences for the top U.S. airports. The difference between Phoenix and Tucson in that comparison was \$24. Both of these reports show that TIA has closed the gap on higher airfares when compared to Phoenix, exciting news for Tucson travelers!

Airline Use Agreement Extended

TAA and its TIA airline partners agreed to extend the existing Airline Use Agreement until September 20, 2013. The agreement includes adjustments to terminal rents and gives some airlines the option to “right-size” their leased premises.

TELLING TAA'S STORY

TAA speakers relayed the latest news and efforts to hundreds of Tucsonans through presentations to groups

such as Northern Pima County Chamber of Commerce, Southern Arizona Lodging & Resort Association and Tucson Association of Realtors, and at events including the Governor's Conference on Tourism and TIA terminal tours.

Business Development and Marketing staff unveiled a new brand for TIA. “It's the way to go” emphasizes the ease, affordability and stress-free experience of flying local. It was crafted following focus group sessions and additional dialogue with TIA users, who worked with staff to identify the airport's top attributes and define its unique position for travelers.

The marketing team has also kicked off the “Working Together” program, an effort designed to educate the local business community through individual meetings about TIA service options and the value of flying local. The discussions also provide information about demand for specific desirable markets to include in upcoming air service proposals.

MAKING COMMUNITY CONNECTIONS

Airport Employees Community Effort (AECE)

TAA employees were involved in several community projects including collections for the Gospel Rescue Mission Homeless Shelter and Passionately Pink for the Cure. Employees also volunteer for the TAA Reading Team at Los Ranchitos Elementary School. The Authority continues to collect unopened beverages and toiletries surrendered at the security checkpoints for the Primavera Foundation.





Coming together

TAA hosted the following events in 2011:

- 900+ students from Tucson area schools attended “key2e” career fair in January at TIA.
- The Walter A. Burg golf tournament raised scholarship funds and hosted more than 70 golfers including TAA staff, tenants and vendors in May.
- The first-ever July TIA potluck united the airport community of TAA staff, tenants and vendors and raised nearly \$2,000 for Habitat for Humanity through donations and raffle sales.

Throughout the year, TAA staff participated in the Imagine Greater Tucson project, a large-scale, community-based effort dedicated to protecting and enhancing our quality of life in the greater Tucson region. Involvement will continue in 2012.

Industry conferences

Tucson hosted the ACI-NA Airport Board Member and Commissioners Conference at Westin La Paloma in May.

TAA hosted the AAAE National Airports Conference in September at Loews Ventana Canyon.

ENHANCING THE TIA EXPERIENCE

The new Legacy Garden, created by the volunteer efforts of many TAA employees, was dedicated in September and now serves as a tribute to past and present TIA staff. The Legacy Garden is located outdoors, between the rental car building and the terminal.

New link exhibitor Pima Community College joined existing displays for Arizona Sonora Desert Museum, Davis-Dominguez Gallery, Etherton Gallery, DeGrazia Gallery in the Sun, Philabaum Studio and Gallery, UA Water Resource Management and UA College of Science, TREO and Arizona State Museum.

The attractions wall showcases our area’s dynamic nonprofit community and gives incoming visitors an immediate glimpse of the experiences awaiting them. Displays highlighted Southern Arizona Transportation Museum, Tubac Historical Society, Children’s Museum of Tucson, Mini Time Machine Museum and Saguaro National Park.

Members of Girl Scout Troop 1070 created a water harvesting landscaping project and a memorial honoring fallen Tucson public safety officers in front of the TIA international arrivals building.

4G wi-fi Installed

Verizon Wireless upgraded its equipment to 4G (fourth-generation) in August to give portable device users throughout the terminal a significantly faster Internet connection.

SERVING NEW & EXISTING TENANTS

- Bombardier expanded its operations and boosted its workforce by 116 to bring total staff to 630.
- Ashton Company, Inc., Contractors & Engineers renewed and expanded its lease for its Country Club Road sand and gravel mining facility.
- Max Air Ventures has a new, expanded lease at the Tucson Industrial Center.
- New lessee Southwest Heliservices set up operations on Elvira Rd.

Noise efforts

The Residential Sound Insulation Program is expected to wrap up in the spring of 2012, culminating a nearly 20-year effort in which the Tucson Airport Authority partnered with FAA and ADOT to invest approximately \$30 million in noise-reducing improvements for the homes most affected by aircraft noise. In 2011, 65 homes were acoustically treated, bringing the total to approximately 1,100.

Concurrently, TAA continues to work on updating its Part 150 Noise Study, which documents existing and anticipated future noise conditions in the airport environs and allows for future noise abatement or mitigation investment as needed; the Noise Study update is expected to be completed in the winter of 2012.

Capital improvement projects

— TIA

\$8.1 million reconstruction of runway 3/21. Related work continues on the reconstruction of portions of Taxiways A, A2, A7, A10, Air Freight, and D



\$1.5 million replacement of 400 HZ ground power system, distribution panels and banded aircraft cables serving the concourse gates.

\$136,000 remodel of the former TAA warehouse to convert it to a tenant helicopter hangar.

\$207,000 replacement of TAA administration building skylights.

— Ryan

\$388,000 construction of a new electrical vault building adjacent to the tower, plus replacement of 6L/24R signage.

\$3 million rehabilitation of runway 6L/24R, taxiway A and connecting taxiways, plus demolition and reconstruction of the concrete apron on the south half of the maintenance yard.

\$1 million installation of runway lighting on runway 6L and taxiway A and connecting taxiways.

\$350,000 update of the existing 1999 Master Plan.

MAINTAINING SAFETY STANDARDS

Police department reaccredited

TAA's Police Department renewed its accreditation for the next three years through the Commission on Accreditation for Law Enforcement Agencies, Inc. (CALEA) in November. The voluntary process included on-site observation, followed by an extensive panel review in Colorado Springs, both conducted to ensure the department's policies and procedures, management, operations and support services meet the Commission's state-of-the-art standards.

Triennial disaster drill

In cooperation with the FAA, TAA's police and fire departments coordinated an exercise to test communications equipment and preparedness in the event of a major TIA disaster. Conducted in March, the drill included representatives from various public safety agencies and area hospitals.

PLANNING TAA'S FUTURE

Green team

TAA's volunteer committee dedicated to resource conservation met throughout 2011 to execute immediate projects and research future opportunities.

The group is led by VP of Operations Jim Garcia and Director of Planning Jordan Feld and includes additional members from planning and operations, as well as information technology, administration and business development.

Master Plan Update and Airfield Safety Enhancement Study

The TIA Master Plan Update kicked off in 2011 and is expected to be completed in the winter of 2012. The Master Plan, updated every five to seven years, provides strategic direction for the airport's growth through goal-setting, forecasting, facilities analysis and phased capital programming.

As a precursor, TAA initiated an airfield safety enhancement study that was completed in December of 2011. The study focused on existing airfield geometries and traffic flow in relation to emerging airfield design best practices with the intent of identifying opportunities for safety enhancement. The first of its kind in the nation, the study also documented the significant safety benefits associated with redevelopment of the parallel runway. Its recommendations will be further refined through the Master Plan Update, which addresses strategic development opportunities for TIA's landholdings in addition to airfield optimization.



General Aviation Update

Following completion of the Master Plan Update, TAA intends to update the GA Plan. This year, the properties department conducted the first comprehensive review of GA activities since 1998. The analysis shows the impact of more than \$21 million in capital investment over this time period, more than half of which came from private sources. TAA is committed to growing GA activity through positive tenant relations and communication.

New development is slated for 2.5 acres at Ryan Airfield in 2012. Private company Ryan Partners I plans to invest approximately \$2 million building 11 new hangars, four of which will be available for sub-lease by commercial tenants.

Celebrating 100 years of statehood

TAA awarded a commission to Fairfield Enterprises LLC to create a solar sculpture commemorating Arizona's centennial anniversary. It is scheduled for April 2012 installation.





CLOCKWISE FROM UPPER LEFT:
 Perino, St. Philips In The Foothills, *sculpture*
 Christina McNearney, Fountain, *acrylic & print transfer*
 Charlie Burton, A Walk in Light – St. Philips Church, *painting*
 Steve Fairfield and Know Man's Land, *musical performance*
 Valerie Bockman, Glyphs On The Cliff, *Quilt Group*

Temporary community exhibits

TAA gave several organizations the opportunity to display airport exhibits educating the community about their events and efforts:

- Arizona Friends of Chamber Music, Tucson Winter Chamber Music Festival posters
- Peace Corps Fellows, memorabilia celebrating Peace Corp's 50th anniversary
- Tucson Rodeo Parade Museum, historic carriages
- Accenture Match Play Golf Tournament championship trophies
- Banners for TREO (Tucson Regional Economic Opportunities) and Biosphere 2

The ArtPort gallery opened in March, displaying the works of airport employees in a new gallery adjacent to the Arrivals Lane of Concourse B. ArtPort displayed art created by TAA employees Tom Burton and Mary Katherine Stilwell and TSA staffer Jeremy Bancroft.

In February, a film scene was shot at TIA for Goats, a Sundance Film Festival selection. It included actors Graham Philips and David Duchovny.

Musical Entertainment

Live @ TIA entertained passengers and greeters with weekly performances from these regular musical acts:

- Marni Kennedy and Cam Cook
- Kathryn Twinfeathers
- Maxine Wrench
- Those Beatles Guys

These featured performers joined the lineup:

- Steve Fairfield and Know Man's Land
- Tango Milonga (Tucson Tango Society)
- Gary Mackender and the Carnivaleros
- Harpist Nicolette Mickelson
- Harpist Vanessa Moxness

In December, several school groups performed holiday music:

- Amphi Middle School Advanced Orchestra and Advanced Band
- Pistor Middle School Chorus
- Doolen Middle School Band and Chorus
- Palo Verde High Jubileers

SUPPORTING THE ARTS

Temporary art exhibits

TIA's art program showcases the work of Southern Arizona artists and enriches customers' experience.

ARTIST(S) / EXHIBIT

Anne Simmons-Myers

Photo portraits

Philip Bellomo

Karon Leigh

Mishcka O'Connor

Dreamscapes

paintings and ceramic sculptures

Tim Diggles

Patricia Katchur

Photography and ceramic sculptures

Chris Andrews

Anthony D'Orsay Jones

Western Dreams

paintings

Judy Davis

Living in the Southwest

photography

Eileen Dudley

Jessie Shin

Time Warp

abstract paintings

31 artists

Visions of St. Philips
 paintings

Mark Johnson

Pattie Johnson

Under the Sonoran

Sun: Past, Present & Future

glass and metal sculptures

Balfour Walker

Pebble Beach

Concours d'Elegance

photography

Southern Arizona

artists

Tubac and Surrounding

Area Artists

paintings, sculptures and mixed media

Tucson Hebrew

Academy

Student show

Herb Stratford

Abstract photography

Susan Rider

Stephanie Shank

Abstract paintings

Tucson Colored

Pencil Artists' Association

Drawings

David Andres

Julia Andres

Paintings, metal

sculptures

Tucson Plein Air

Painters Society

Paintings

Christina McNearney

Modello

paintings

Art quilter's group

Quilts celebrating

Arizona's Centennial

PEOPLE OF TAA

2011 Board of Directors



Rubin Salter, Jr.
Chairman



Thomas A. Zlaket
Chairman-elect



Lisa H. Israel
Secretary



Gregory A. Pivrotto
Treasurer



Steven Fell
Assistant Secretary



Chanda S. Budhabhatti
Assistant Treasurer



Christopher H. Sheafe
Immediate Past Chairman



Raymond Bernal
Director



Steven R. Cole
Director

In memoriam

Authority members Jon F. Ruby, Larry Brown, Mike Harris, Ben Wallis, Charles Cray and Robert Brooks

Gary F. Fay, a private pilot and former FAA Tower Chief at TIA

New members named to Tucson Airport Authority

Rob Draper
President, O'Rielly Ventures, Inc.

Peter Gallo
President, Monterey Water Co.

Thomas Grogan
Founder, Ventana Medical Systems

David Hameroff
President, The Hameroff Law Firm, P.C.

Daisy Jenkins
Sr. Vice President, Human Resources, Carondelet Health Network

Lisa Lovallo
Vice President, Southern Arizona, Cox Communications, Inc.

David Lyons
EVP/Market President, National Bank of Arizona

Omar Mireles
President, HSL Asset Management

James Neihart
Owner/President, The Neihart Corporation

Ricardo Platt
Principal, RPC International, Inc.

Lucinda Smedley
Principal, TREND Report/Real Estate Consulting Group, LLC

TAA senior staff

Bonnie Allin
President/CEO

Marjorie Perry
Senior Vice President/General Counsel

Jim Garcia
Vice President of Operations

Richard Gruentzel
Vice President of Finance and Administration/CFO

Jill Merrick
Vice President of Planning and Development

New employees

Patricia Landeros
Leticia Lara
Esperanza Gonzalez
Jesse Mendoza
Custodians

Aldo Arroyo
Adam Barzar
Jon-te Gibson
Police trainees

Jaime Romero
Painter

Julie Woodall
Police Clerk

Mary Davis
Senior Director of Business Development and Marketing

Katy Smith
Public Information and Community Relations Manager

Accomplishments

President/CEO Bonnie Allin, A.A.E. was named Chairman of the Board of the International Association of Airport Executives for 2011/2012. This is the fourth consecutive year that she has held this office. The organization was created in 1992 to further advance of airport management education and professional development.

Director of Planning Jordan Feld was named Second Vice President to the Arizona Airports Association Board of Directors.

Tucson Airport Authority Authority board member Chanda Budhabhatti was honored as one of India's most influential aviators in December at the International Conference of Women in Civil Aviation in Mumbai.



Executive Assistant Linda Mabry and Director of Ryan Airfield and Flight Line Services Scott Driver both earned the Accredited Airport Executive (A.A.E.) designation from the American Association of Airport Executives.

The staff of the Ryan Airfield control tower won this year's Arizona Air Traffic Communication Facility Award from the Aviation Safety Advisory Group and the FAA's Scottsdale Flight Standards District Office. Serco Management Services, Inc. staffs and manages the Ryan tower under a contract with the FAA.