



**AIRPORT COMMISSION**

**ACTION SUMMARY MINUTES OF REGULAR ADJOURNED MEETING**

**Wednesday, September 22, 2021 – 5:30 P.M.**

**1. CALL TO ORDER:**

Chairman Dada called the Airport Commission Special Meeting to order at 5:30 P.M. and invited Airport Commission Vice Chair Corcoran to lead the Pledge of Allegiance. The meeting was held via videoconference.

**2. POSTING OF THE AGENDA:** Posted on August 19, 2021.

**3. ROLL CALL:**

**Commissioners Present:**

Gerald Adams (Palm Springs)	Rolf Hoehn (Palm Desert)
Patricia Breslin (Palm Springs)	Kathleen Hugues (La Quinta)
Paul Budilo (Indian Wells)	Scott G. Miller (Palm Springs)
Todd Burke (Palm Springs)	John Payne (Palm Springs)
Kevin J. Corcoran - Vice Chair (Palm Springs)	Jan Pye (Desert Hot Springs)
Aftab Dada - Chair (Palm Springs)	Jhan Schmitz (Indio)
David Feltman (Palm Springs)	M. Guillermo Suero (Palm Springs)
Peter Freymuth (Riverside County)	Thomas Weil (Rancho Mirage)
Ken Hedrick (Palm Springs)	

**Commissioners Absent:** Gabriel Martin (Coachella), Jill Philbrook (Cathedral City)

**Staff Present:**

- Ulises Aguirre, Airport Executive Director
- Jay Virata – Director, Community & Economic Development
- Mike Kovaleff – Palm Springs Police Department
- Daniel Meier – Deputy Director, Marketing and Business Development
- Victoria Carpenter – Airport Administration Manager
- Nadia Seery - Airport Executive Administrative Assistant

**Public Attendance:** One

**ITEM 6**

**4. ACCEPTANCE OF THE AGENDA:**

**ACTION:** Accept the Agenda as presented. **Moved by Commissioner Hedrick, seconded by Commissioner Freymuth, and unanimously approved noting the absence of Commissioners Martin and Philbrook.**

**PUBLIC COMMENTS:** None

**5. APPROVAL OF THE MINUTES:**

**ACTION:** Approve the minutes of the Airport Commission Meeting of July 21, 2021. **Moved by Commissioner Freymuth, seconded by Commissioner Breslin and unanimously approved noting the absence of Commissioners Martin and Philbrook.**

**ACTION:** Approve the minutes of the Airport Special Commission Meeting of August 24, 2021. **Moved by Commissioner Breslin, seconded by Commissioner Hedrick and unanimously approved noting the absence of Commissioners Martin and Philbrook.**

**6. INTRODUCTIONS AND PRESENTATIONS:**

Airport Executive Director Aguirre announced the reappointment of Commissioner Philbrook (Cathedral City) for a three-year term, and welcomed newly appointed Commissioner Payne representing Palm Springs.

**7. EXECUTIVE DIRECTOR REPORTS:**

Mr. Aguirre reported that City Manager Clifton is out of town and is being represented at this meeting by Jay Virata, Director, Community and Economic Development and Captain Kovaleff, PSPD, to provide the briefing on the cooling center.

Mr. Aguirre commented on the ceremonial procession for deceased Marine Corporal Hunter Lopez. The USO and the Police Department successfully assisted with the movement from the airport.

Traffic for August 2021 is up by 24% compared to August 2019, marking three consecutive months with above 2019 traffic, and making this the busiest summer in PSP's history.

Mr. Aguirre presented a short video about the two new 1500 gallon Aircraft Rescue and Firefighting (ARFF) trucks that the Airport received. He explained how out of the three ARFF trucks that were put in service in 2003, two will be refurbished and put back into service. Our FAA index requires the airport to have two 1500 gallon trucks.

Mr. Aguirre announced the promotion of Executive Administrative Assistant Seery to the position of Executive Program Administrator and explained that Airport Commission support duties will be gradually transitioned to her replacement.

**8. DISCUSSION AND ACTION ITEMS:**

**9.A. Session II – Consideration of Submitting Priorities/Areas of Focus for the City Council Visioning Session**

Executive Airport Director Aguirre presented a slide with the summary of graded priorities selected by the airport commission for the City Council Visioning session 2021.

Vice Chair Corcoran explained how he and Chairman Dada examined both the results and their implications. How some items, while important, were not deemed appropriate for this exercise as they were more related to a long-term strategic planning initiative taking years to study, implement and fund, and may affect the airport's Master Plan. How they suggest to include them in a strategic planning process, and decide on timelines by the end of the year.

The priority which obtained the most votes is the car rental project (CONRAC) a project which is already underway, with numerous layers of implications yet to be presented to achieve stakeholder and customer satisfaction. This is the Chair and Vice Chair first recommendation as a focus for the next twelve months.

Their recommendation for a second priority is airport concessions, which did not obtain a very high ranking. Mr. Corcoran explained how the City was about to issue a News and Gifts, and Food and Beverage Concessions RFP when COVID struck in 2020. The contract with Paradies-Lagardère ends in April 2023 and the RFP must be updated. He explained how, for the first RFP, a point of focus had been to impart local flavor to the concessions and some local vendors had taken steps to partner with national providers. Requirements need to be reexamined considering the impacts of COVID. He added that concessions are important to the Commission in terms of first impressions, customer satisfaction and overall brand of the airport.

Commissioner Freymuth commented he supported both priorities but objected to the Commission not considering International air service. He explained that the Commission had been asked to provide immediate, mid-term, and long-term priorities. How International Air service will take several years to implement whether it is started now or in the future.

Chairman Dada acknowledged the high marks received by this priority and pointed out to the complexity and years of work to accomplish this in accord with numerous agencies.

Executive Airport Director Aguirre touched on our current international pre-cleared flights arriving from Canada. How non-precleared international flights would need sterile segregation of passengers from the aircraft to a sterile FIS facility, including a dedicated baggage retrieval area. How flights from overseas destination may operate with larger gauge aircraft with wider wingspan which would require new gate facilities, and greater space for all ground services. It would require an important planning effort to build new facilities outside our terminal or concourses, and to provide modification to airport roadway access to pick-up international passengers.

Commissioner Freymuth indicated that some cities in Canada with no preclearance could benefit from such facilities, and it would encourage low-cost carriers such as Swoop Airlines to operate into Palm Springs. He added that new long-haul aircraft entering the industry are smaller and well-suited for airports our size. He suggested the construction of two dual-purpose gates in the regional concourse as well as a dedicated baggage claim area, which would also be convenient for current domestic passengers. He considers it urgent because it will take a long time to accomplish. How it would help the hospitality industry to bring passengers here in the summer months, and how these passengers will most likely be coming from Europe.

Commissioner Suero commented that the San Diego international facility is small, efficient and low-cost, and encouraged looking at it as a possible model for PSP.

Commissioner Budilo agreed with Commissioner Freymuth that the airport should move forward with international air service now, and at least identify the impediments of moving forward as well as the advantages.

Chairman Dada pointed out that Concessions were selected as priority No. 2 because of the deadline of the agreement which ends in 2023.

Commissioner Miller commented that Concessions should not be included on this list of priorities as it is an operational project moving forward internally anyway. How Council may be looking at strategic planning in the two to five-year window. He added that international air service may be more of a seven-year process. He suggested evaluating trends in the United States and identifying funding sources and he recommended an integrated transportation facility. How the US is about to allocate three trillion dollars in infrastructure and how strategic planning should include better leveraging and use of resources available today.

Commissioner Hoehn brought up the long wait for a rail service system as an example and recommended starting the international air service efforts now. He recommended a facility similar to the one at Ontario airport, which he used for Aeroméxico, if the expansion of the regional building doesn't fit the requirement.

Commissioner Hedrick commented that he is in favor of integrating the transportation system with CONRAC, and having the regional concourse serve both as an international and domestic facility and obtain federal funding for both.

Commissioner Suero pointed out that the roadways at the airport could benefit from federal funding.

Commissioner Feltman commented that some of the priorities listed had a theme, and he proposed that items be aggregated under "infrastructure".

Commissioner Payne supported Commissioner Miller's view regarding the Integrated Transportation System, which he considers an issue in the greater Coachella Valley. He also agreed that the Request For Proposals (RFP) for concessions is already in process.

Airport Executive Director Aguirre confirmed that a new RFP must be issued, per City procurement protocols, and that vendor(s) will be selected by May 2023 to give them the summer to build out most of the facilities in time for fall service. Airport staff has already prepared a timeline, which can be moved up if necessary.

Chairman Dada asked if the Commission should propose three items.

Commissioner Freymuth supported Commissioner Feltman's suggestion of aggregating some priorities under "Infrastructure".

Commissioner Miller indicated his support of this aggregation and proposed to include examples for City Council to understand. He asked if the Commission could have real live time to discuss this in detail and reach a consensus.

Commissioner Adams proposed to list all items under "infrastructure".

Commissioner Breslin indicated that the Concessions RFP deserved attention if we want to bring the locals into the process, how it needs to be a success and not be buried.

Commissioner Feltman said he thought concessions were part of the infrastructure and are the facilities most seen at our airport. However, it should be highlighted for those concerned it will get lost.

Commissioner Breslin expressed concern of submitting to City Council every item under one big lump and burdening them with selecting items, instead of the Commission doing the selection as requested. She suggested choosing two items and she favors airport concessions as one of them.

Commissioner Hedrick proposed the following resolution:

### **Immediate and in progress**

AAAA - Airport Concessions. Re-enter discussions regarding new concessions agreement, review approaches, retail strategy, publish plans, and issue RFP.

### **Long range**

GGGG – CONRAC. Proceed, per Master Plan, with Consolidated Rental Car Facility. Define location, structure requirements based on new study and updated traffic projections, execute strategy and timeline for construction, Include new technologies. In addition, study whether an integrated transportation center with Bus, local transportations systems, etc., can be included in with CONRAC and be eligible for Federal Funding.

CCCC + Airport Expansion. Proceed with the development and implementation of a new Master Plan for Airport Development which will include the following: International Air Service & Facilities, Regional Concourse Expansion / Redevelopment, Use of Solar, Upgrade public spaces / Mid-century décor, Arrivals Baggage Area Modernization / Expansion and addressing ADA/accessibility issues. The goal will be to maximize Federal Funding for all projects.

**ACTION:** Recommend the proposed resolution to City Council for the 2021 Visioning Session. **Moved by Commissioner Hedrick, seconded by Commissioner Hoehn and unanimously carried noting the absence of Commissioners Martin and Philbrook.**

### **9.B. Ricondo & Associates Agreement Amendment**

Executive Director Aguirre summarized the detailed staff report which was provided to the Commission to amend the agreement with Consultant Ricondo. The agreement thus far has included seven tasks for a total amount of \$561,194.

Mr. Aguirre explained that Ricondo was assisting with projects when COVID occurred causing the suspension of some tasks: the car rental CFCs, the in-terminal concessions, and negotiations with the airlines for a new Airport Use and Lease Agreement (AULA). The airport now seeks to revive these programs and proposes to amend the existing Ricondo agreement, extend it to June 20, 2023, and add an amount of \$136,400, broken down as such: Task 8: Airline Negotiation Consulting Services \$58,100; Task 9: In-Terminal Concessions Consulting Services \$58,300; Task 10: Miscellaneous on-call Business and Financial Consulting Services \$20,000. Funding in the amount of \$80,000 has been budgeted this year, and additional funds will come from anticipated savings this year.

Commissioner Miller asked what will be achieved with grants monies under Task 10.

Mr. Aguirre explained that each grant is to be used for specific purposes. The CARES grant was more liberal, the CRSAA and ARPA grants became more restrictive, moving away from capital projects to operational projects specifically intended to protect the traveling public from COVID and prevent pathogens from spreading. The airport has spent CARES moneys very carefully in anticipation of an \$8M shortfall in FY2020-21, but with traffic and revenues returning the airport looks strong. This will enable the programming of some of the stimulus funds by doing operational capital upgrades to some facilities (touchless restrooms, janitorial services, etc.). Grants are to be used by 2023-24. The consultant will help identify the applicable projects and also ensure the airport abides by the current agreement with the airlines.

Commissioner Miller expressed concern that by using a consultant, Airport staff might lose some of the knowledge to accomplish these tasks themselves in the future and avoid paying consultants. He asked how the consultant's knowledge may be transferred to City and Airport staff.

Mr. Aguirre explained how the executive team is working alongside the consultants and gaining knowledge and experience. Some of the efforts before us occur every five years. In the case of the CARES grant, it is a unique situation due to COVID. Furthermore, federal government regulations change constantly.

Commissioner Freymuth agreed that the airport must rely on consultants at times to deal with these complex issues.

**ACTION:** Recommend the approval of Amendment No. 2 with Ricondo and Associates, Inc. **Moved by Commissioner Freymuth, seconded by Commissioner Hughes and unanimously approved noting the absence of Commissioner Martin and Commissioner Philbrook.**

### **9.C. 225. S. El Cielo (Boxing Club Update)**

Mr. Jay Virata provided a brief update on Martha's Village and Kitchen which started operating at 225 S. El Cielo in mid-August.

Officer Kovaleff indicated there had been no incidents reported since the center opened.

*Note: The Zoom program failed and recording was lost for five minutes.*

### **8.A Projects Update**

Assistant Airport Director Barrett reported that a new reporting system, Optiqo, has been installed in the public restrooms to track frequency of servicing, and enable the public to report on service needs.

Passenger Boarding Bridges at gates 5 and 8 will be replaced in October. Passenger Boarding Bridge at gate 4 has been replaced and is fully operational.

### **8.B Marketing Update**

Mr. Meier, Airport Deputy Director, Marketing gave a detail on airline service to PSP for the fall, and explained that some airlines are still affected by the lack of pilots.

He announced the acquisition of flyPalmSprings.com and the gifting of the site flyPSP.com by the CVB.

### **8.C Financial Update**

Ms. Carpenter expounded on the August financial summary provided in the Commission packet and showed preliminary financial results for FY2020-21, as more year-end entries are expected.

## **9. COMMISSIONERS REQUESTS AND REPORTS: None**

## **10. REPORT OF CITY COUNCIL ACTIONS:**

- 11.A. Past City Council Actions
- 11.B. Future City Council Actions

## **11. RECEIVE AND FILE:**

- 12.A Memorandum to City Council from Airport Commission regarding the Boxing Club
- 12.B Airlines Activity Report August 2021
- 12.C Airlines Schedules October 2021

## **12. ADJOURNMENT:**

**ACTION:** Adjourn the meeting. **Moved by Commissioner Burke, seconded by Commissioner Hedrick and unanimously approved noting the absence of Commissioner Suero.**

The Airport Commission adjourned at 7:30 P.M. to a Regular Meeting on October 20, 2021, at 5:30 P.M. via videoconference.

NPS

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Nadia P. Seery  
Executive Administrative Assistant