



AIRPORT COMMISSION

ACTION SUMMARY MINUTES OF REGULAR ADJOURNED MEETING

Wednesday, March 16, 2022 – 5:30 P.M.

1. CALL TO ORDER:

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

2. POSTING OF THE AGENDA: Posted on March 10, 2022.

3. ROLL CALL:

Commissioners Present:

Patricia Breslin (Palm Springs)	Gabriel Martin (Coachella)
Paul Budilo (Indian Wells)	Scott G. Miller (Palm Springs)
Todd Burke (Palm Springs)	Jan Pye (Desert Hot Springs)
Kevin Corcoran (Palm Springs) – Vice Chair	Jhan Schmitz (Indio)
Aftab Dada (Palm Springs) - Chair	M. Guillermo Suero (Palm Springs)
David Feltman (Palm Springs)	Thomas Weil (Rancho Mirage)
Peter Freymuth (Riverside County)	Kevin Wiseman (Palm Desert)
Ken Hedrick (Palm Springs)	

Commissioners Absent: Gerald Adams (Palm Springs), Kathleen Hughes (La Quinta), John Payne (Palm Springs), and Jill Philbrook (Cathedral City).

Staff Present:

Harry Barrett, Jr., Interim Airport Executive Director
Victoria Carpenter, Airport Administration Manager
Christina Brown, Executive Administrative Assistant

Others Present: Arica Gately, CLEAR Senior Director

4. ACCEPTANCE OF THE AGENDA:

ACTION: Accept the Agenda as presented. **Moved by Commissioner Feltman, seconded by Commissioner Schmitz, and unanimously approved noting the absence of Commissioners Adams, Hughes, Payne, and Philbrook.**

5. **PUBLIC COMMENTS:** None

6. **APPROVAL OF THE MINUTES:**

ACTION: Approve the minutes of the Airport Commission Meeting of February 16, 2022. **Moved by Commissioner Hedrick, seconded by Vice Chairman Corcoran and unanimously noting the absence of Commissioners Adams, Hughes, Payne, and Philbrook.**

7. **INTRODUCTIONS AND PRESENTATIONS:** None

8. **CITY MANAGER REPORT:** None

9. **DISCUSSION AND ACTION ITEMS:**

9.A Operations, Properties and Facilities Committee Update

Commissioner Schmitz reported that the Committee had met on March 3rd, and he said that the Committee discussed CLEAR, parking capacity, valet services, and baggage claim capacity. He said that CLEAR provided a presentation to the Committee and that the presentation answered the Commission's questions in regard to operations and cost. Commissioner Schmitz said that CLEAR would be bearing the costs, providing staffing, and the Airport would receive revenue from CLEAR. Commissioner Schmitz said that the Operations, Properties and Facilities endorsed the Airport entering into an agreement with CLEAR, and he said that the Committee had suggested that CLEAR consider lowering the membership cost for the lower income and senior members.

Commissioner Schmitz referred to the parking lots being full during the holidays, he said the parking lots were currently at 50% capacity, and he said that the Airport staff was proactively thinking about measures that could be taken to improve the parking issues, especially when there will be more events coming to the Coachella Valley. Commissioner Schmitz said that staff was considering the potential for acquiring a piece of property that is adjacent to the overflow parking lot, as well as providing shuttle service.

Commissioner Schmitz noted that a valet service program had been put into place in the past and that the program was not successful because the program had not been sufficiently marketed, and he said that the Airport staff was interested in implementing a valet service in the future.

Commissioner Schmitz reported that due to the number of airline arrivals that are occurring during the Airport's peak hours, there is heavy congestion in the baggage hall which doesn't put the Airport in a good public relations position. He said that he has had acquaintances express their disappointment with the baggage issues that

they have experienced at PSP, and he said that the Airport staff was looking at the possibility of relocating some of the rental car companies to potentially create a fourth baggage carousel. Commissioner Schmitz said that the Airport staff have been working with the airlines and their ground handlers to make baggage handling more effective, he noted that the consolidated car rental facility would allow for the car rental companies to be relocated and for the baggage facility to be reconfigured, and he said that the Airport staff was working on the Request for Proposals (RFP) for the Airport Master Plan.

Commissioner Schmitz noted that the Committee had discussed having a meeting every other month to discuss the ongoing issues. Commissioner Burke noted that CLEAR membership fee is \$179 a year and that there are tiered options that are also available. Commissioner Suero noted that some credit card companies offer the CLEAR membership as a benefit.

9.B CLEAR

Interim Airport Executive Director Barrett asked Arica Gately, CLEAR Senior Director, if she could provide additional context for the Commission, he said that he was expecting CLEAR to launch the first week of April, and he said that the Airport staff was working with CLEAR on the contractual issues as well as the security amendment updates.

Ms. Gately said that CLEAR members would register their biometrics with either a fingerprint, an iris scan or a facial scan at a CLEAR kiosk, and once their identity has been confirmed, a CLEAR ambassador would escort the applicant to a dedicated CLEAR lane, from there they would have an expedited security process through the document security portion, and then they would go through the physical screening.

Ms. Gately said that one of the biggest benefits for having a CLEAR membership in terms of an airport perspective and probably what is most relevant is that CLEAR allows for very high throughput and efficiency of the airport screening lines, especially when airports are experiencing high peaks in their travel volumes. She said that CLEAR could be sort of a force multiplier in terms of helping TSA be very quick with their review and screening of the CLEAR members, as well as relieving the congestion and length of the existing pre-check and standard lines without having any impact to those operations. Ms. Gately said that CLEAR has proposed that the Airport allow CLEAR to use the employee use lane as the dedicated CLEAR lane because the employee use lane is an underutilized space of the Airport checkpoint.

Commissioner Wiseman asked Ms. Gately if she had an estimate of the throughput increase that the Airport could expect at peak hours. Ms. Gately said that on average 80 to 120 standard line passengers will go through TSA in an hour, and 150 CLEAR members would go through TSA in an hour.

Commissioner Hedrick asked if passengers would be able to sign up at PSP. Ms. Gately confirmed that passengers would be able to sign up at PSP, and she said that the kiosks would be multipurpose. Commissioner Hedrick asked if there would be multiple kiosks. Ms. Gately said that she believed that the proposal was for four Kiosks to be installed at PSP. Commissioner Suero noted that passengers could go online to begin the enrollment process. Ms. Gately noted that every enrollment comes with a free two-week trial that would have no financial implication. Commissioner Burke said that he has been a long-time satisfied CLEAR member.

Commissioner Wiseman inquired about the number of jobs that CLEAR would be filling for PSP. Ms. Gately said that there would be approximately 20 benefited and well-paying jobs which would include the PSP ambassadors and their airport leadership team.

ACTION: Recommend to the Palm Springs City Council to approve a Non-Exclusive Operating and Lease Agreement with Alclear LLC dba CLEAR. **Moved by Commissioner Miller, seconded by Commissioner Hedrick and unanimously noting the absence of Commissioners Adams, Hughes, Payne, and Philbrook.**

9.C Budget and Finance Committee Update

Commissioner Feltman reported that the Budget and Finance Committee met on March 1st, and he said that it was a productive meeting that was focused largely on staff's presentation of the budget. He said that the Committee voted to recommend that the budget be presented to the Commission.

Commissioner Feltman said that the Committee discussed the areas that the Budget and Finance Committee intended on pursuing which included looking at the monthly reporting that is provided to the Commission and taking a deeper look at the capital project interests. He said that the Committee had agreed to meeting in April, May, and June and then every other month through the end of the year.

9.D Airport Budget FY2022-23

Airport Administration Manager Carpenter presented an overview of the draft Airport Budget FY2022-23, and she said that staff would be continuing to make changes to the budget up until the final version has been turned into the City. Ms. Carpenter said that for Fund 415 – Maintenance & Operations, staff was proposing that there will be approximately \$29 million in revenues and \$28 million in expenditures, and she said that staff was anticipating a draw down on the grant funds, particularly the CARES Act, CRRSA, and ARPA grants. She said that staff was intending on having a hefty cash reserve on-hand that could be used for future capital improvement projects.

Ms. Carpenter referred to Fund 405 – Customer Facility Charge (CFC), she noted that the CFC had recently been increased from \$10 per transaction to \$9 per transaction

day with a maximum 5-day limit, and staff was proposing that larger revenues would be received for the CFC fund which would primarily fund the consolidated rental car facility. Ms. Carpenter said that staff was proposing a surplus for Fund 410 – Passenger Facility Charge, she said that the Airport receives \$4.50 and up to \$18 for every ticket that the airlines sell, and she noted that the airlines keep \$.11 as an administration fee. Ms. Carpenter said that the Airport was continuing to pay the principal and interest on the bond that was issued to finance the ticket wing project.

Ms. Carpenter referred to Fund 416 – Capital Projects, and she presented a list of the capital projects that staff was proposing for the upcoming fiscal year. Commissioner Miller asked Ms. Carpenter to confirm that Airport staff would need the airlines to review and approve the proposed budget and capital projects. Ms. Carpenter confirmed that the airlines would need to review and approve the proposed budget and capital projects. She reviewed the Federal grant projects, and Ms. Carpenter noted that some of the funds would carry over to the following year because the Federal fiscal year starts on October 1st and ends on September 30th. Ms. Carpenter presented a breakdown of the accounts for each of the funds.

Commissioner Feltman asked if the Commission would have an opportunity to vote on the budget in April or did the Commission need to vote this evening. Interim Airport Executive Director Barrett said that the Airport staff would like for the Commission to vote on the budget this evening because staff needs to move the budget forward to the Finance Department, and he said that the Commission would be notified if there are any major changes to the budget. Commissioner Feltman asked if there were any items that were likely to have changes occur. Mr. Barrett said that if there were to be any changes made, the items that would most likely be changed would be Fund 416 – Capital Projects because there is the possibility that the airlines could veto projects or they could want additional projects to be included in the budget, and Fund 415 – Maintenance & Operations, specifically in regard to staffing.

Commissioner Suero asked if the Airport receives revenue from Turo. Ms. Carpenter said that the Airport does not currently have an agreement with Turo, and she said that staff could look in to pursuing an agreement with Turo.

Commissioner Miller said that Mr. Barrett and Ms. Carpenter did a great job of answering the vast majority of questions from the Budget and Finance Committee, and he thanked them both for operationalizing the aviation acronyms list.

ACTION: Approve the Airport Budget FY2022-23. **Moved by Commissioner Feltman, seconded by Commissioner Hedrick and unanimously noting the absence of Commissioners Adams, Hughes, Payne, and Philbrook.**

10. EXECUTIVE DIRECTOR REPORT:

10.A Projects Update and Airport Capital Improvement Program Update

Interim Airport Executive Director Barrett said that for the preceding month, staff had received a total of three noise complaints, two general aviation noise complaints that were both from a caller that was 13 miles from PSP, and one military aircraft noise complaint. He said in terms of parking capacity for the preceding month, staff had tracked an average of approximately 50% occupancy in the public parking lots, and he said that the counts were taken on a per shift basis and on a daily basis by the Operations staff and also by the ABM Aviation Parking staff. Mr. Barrett said that staff was continuing to monitor the weekends, and he said that staff believes that there will be an increase in capacity, particularly around the holiday weekends and certain events such as Stagecoach and Coachella.

Mr. Barrett reported that there have been challenges with the baggage handling system in the ticketing wing, and he said that the inline automated system is not handling the capacity of baggage that is arriving at the ticket counters. Mr. Barrett said that he believed that the system should be able to handle 2,500 bags per hour, and staff's capacity analysis indicated that the system is actually handling about 600 bags per hour, and he said that staff believes that there is a combination of things that are contributing to the system challenges. Mr. Barrett noted that the airlines that are located at the south end of the terminal are experiencing significant baggage delays, and the airlines that are located at the north end of the terminal seem to be getting their baggage out a little more efficiently.

Mr. Barrett said that there are some staffing challenges with TSA in the screening room, and he said that the Airport staff has been working with the Assistant Federal Security Director for TSA to address the issue. He said that the baggage screening machines are not processing as quickly as they should be processing, and he said that Airport staff is also working with TSA on that issue. Mr. Barrett said that the baggage handling system design has a fundamental flaw, there are four single points of failure, and the entire system shuts down if bags get jammed or stuck. He said that there is also a software flaw in the way that the bags are being metered to the system. Mr. Barrett said that staff is working with TSA on their challenges and with the airlines on slotting their bags to prioritize the bags by order of the flights going out, staff has contracted with Sierra Aviation for bag porter services in the screening room, and cameras have been installed to help the Operations and Maintenance staff monitor the system in real time and to identify the challenges as they occur. Mr. Barrett said that staff is working with the system designer and installer to determine what can be done to speed up the process, and he said that staff believes that a combination of a software change as well as additional construction could be what is needed to make the system work more smoothly.

Commissioner Miller asked if the 2,500 bags per hour had been guaranteed in the system contract. Mr. Barrett said that in the design process, a capacity analysis was done by the designer, the designer had the capacity analysis vetted by the architect and the project managers to confirm that projected capacity was correct. Commissioner Miller asked what would happen if the issues cannot be resolved with the system manufacturer. Mr. Barrett said that staff believes that the issues should be covered under the system warranty and that the designer will correct the issues.

Commissioner Breslin asked if staff had received any complaints about the baggage issues. Mr. Barrett said that Airport staff had not received any complaints from the passengers. Mr. Barrett said that he had tasked the Airport staff with working on plans over the summer to address some of the capacity issues operationally which includes some of the challenges that are currently occurring such as landside roadway access during peak times, parking issues, roadway safety, terminal and baggage claim capacity, and airside capacity for aircraft parking.

10.B Financial Summary Update: None

10.C Marketing Update:

Interim Airport Executive Director Barrett noted that Deputy Director of Aviation Marketing and Air Service Meier was not in attendance and that the marketing update had been provided to the Commission.

10.D Concession RFP Update

Airport Administration Manager Carpenter reported that staff was working internally to make some modifications to the concessions RFP so that the RFP sounds very enticing so that companies will want to come to PSP. Ms. Carpenter said that she had attended an Airports Council International meeting, and she said that there were several airports that are currently going through the concessions RFP process and that out of eleven airports that had issued concession RFPs, only one of the airports received responses to their RFP. Ms. Carpenter said that staff would be doing everything they can to make PSP's concession RFP stand out, and she said that staff was revising the square footage for the exhibits for the area to include the patio square footage, storage square footage, and the dining and retail locations. She said that staff was progressing on schedule to have the RFP out by June.

Commissioner Breslin asked if Airport staff was still planning on providing an educational reach out to the local community. Ms. Carpenter confirmed that there would be an educational reach out to the local community. Vice Chairman Corcoran asked if the focus on the Airport's priorities for local vendors and working with those vendors was still in the RFP. Ms. Carpenter said that local flavor is noted in the RFP. Vice Chairman Corcoran asked if this was something different than what had been discussed at the February Commission meeting. Ms. Carpenter asked for clarification.

Vice Chairman Corcoran said that the Commission was hoping that the national vendors would partner with local vendors. Ms. Carpenter said that she would need to review that section of the RFP and that staff was currently focused on the background of the existing concessions and the proposed space. Vice Chairman Corcoran asked Ms. Carpenter to make addressing his inquiry a priority for the April Commission meeting.

11. COMMISSIONERS REQUESTS AND REPORTS: None

12. REPORT OF CITY COUNCIL ACTIONS:

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

Interim Airport Executive Director Barrett reported that the Vested Solutions contract for janitorial services had been approved at the March 10th City Council meeting.

13. RECEIVE AND FILE:

- 13.A Airlines Activity Report February 2022
- 13.B Airlines Schedules April 2022
- 13.C Public Correspondence
- 13.D Aviation Acronym List

14. COMMITTEES:

- 14.A Future Committee Meetings

Commissioner Schmitz said that the Operations, Properties and Facilities Committee was planning on having a meeting at the end of April.

15. ADJOURNMENT:

ACTION: Adjourn the meeting. Moved by Commissioner Burke, seconded by Commissioner Hedrick and unanimously approved noting the absence of Commissioners Adams, Hughes, Payne, and Philbrook.

The Airport Commission adjourned at 6:29 P.M. to a Regular Meeting on April 20, 2022, at 5:30 P.M. via videoconference.



Christina Brown
Executive Administrative Assistant

APPROVED BY AIRPORT COMMISSION: 04/20/2022