



AIRPORT COMMISSION

ACTION SUMMARY MINUTES OF ADJOURNED MEETING

Wednesday, March 17, 2021 – 5:30 P.M.

1. CALL TO ORDER:

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

2. POSTING OF THE AGENDA: Posted on March 11, 2021.

3. ROLL CALL:

Commissioners Present: Gerald Adams, Patricia Breslin, Paul Budilo, Jeffrey Clarkson, Kevin J. Corcoran, Aftab Dada, David Feltman, Peter A. Freymuth, Ken Hedrick, Rolf Hoehn, Al G. Jones, Gabriel Martin, Jill Philbrook, Jan Pye, Bill Riesen, Jhan Schmitz, M. Guillermo Suero.

Commissioners Absent: Todd Burke, Kathleen Hughes.

Staff Present: City Manager David Ready, Airport Executive Director Ulises Aguirre, Director of Finance and Treasurer Nancy Pauley, Deputy Director of Aviation - Marketing and Air Service Development Daniel Meier, Airport Administration Manager Victoria Carpenter, Airport Executive Administrative Assistant Nadia Seery.

Public Attendance: None.

4. ACCEPTANCE OF THE AGENDA:

ACTION: Accept the Agenda as presented. **Moved by Commissioner Hedrick, seconded by Commissioner Schmitz, and unanimously approved noting the absence of Commissioners Burke and Hughes.**

5. PUBLIC COMMENTS: None.

6. APPROVAL OF MINUTES:

The minutes of the Regular Meeting held on February 17, 2021, were presented for approval. **Moved by Commissioner Breslin and seconded by Commissioner Riesen.**

AYES: Adams, Breslin, Budilo, Clarkson, Corcoran, Dada, Feltman, Freymuth, Hedrick, Hoehn, Jones, Martin, Philbrook, Pye, Riesen, Schmitz, Suero

NOES:

ABSENT: Burke, Hughes.

ABSTAIN:

7. CHAIRMAN COMMENTS

Chairman Jones presented his congratulations to City Manager Ready on the occasion of his last Airport Commission meeting before Mr. Ready's retirement early next month. Mr. Jones thanked him for his twenty years of devoted service to this city.

The Commission joined Chairman Jones in presenting their thanks and best wishes.

8. INTRODUCTIONS AND PRESENTATIONS: None

9. CITY MANAGER REPORT:

City Manager Ready commented on a recent financial audit which corrected two issues in favor of the airport. A FY2017-18 reserve of \$1,026,075 for rental cars MAGS overpayments had been encumbered without duplicate payment made to car rental agencies and was reversed. In addition, several projects for FY2018-19 were reclassified to an asset account resulting in a positive \$650,000 increase in the Airport Fund balance. This added a total of \$1.6M to the Airport Fund.

10. EXECUTIVE DIRECTOR REPORT

Airport Executive Director Aguirre pointed out a change in the agenda order. Item 10 will now consist of the Executive Director's comments, followed by item 10.A. Budget and Finance summary, and Item 10.B Marketing Presentation.

Mr. Aguirre addressed last month's request by Commissioner Riesen and confirmed that a phone number for the Airport Noise reporting line and a link to the Airport Noise facts web page had been added on the airport website under "Contacts".

Mr. Tallarico, Sustainability Manager, will make a presentation about the airport demonstration garden in April.

Passenger counts are trending correctly and are expected to be higher in March. The airport concessionaire reported that sales are increasing. The Wine Bar opened on March 5th after the liquor license was obtained for both the Wine Bar and Santa Rosa

Kitchen. PSP Coffee House and the Santa Rosa Kitchen are offering indoor dining at 25% capacity.

The U.S. Administration signed the American Rescue Plan in March 2021 allowing \$800M for U.S. Airports for concession relief.

With a PowerPoint, Mr. Aguirre showed before and after photos of the Ticket Wing Project progress since last month. The highlights are the paving of the surface surrounding the outbound baggage carousels, the completed TSA screening room outer wall, the framing and dry walling of additional ATOs, and the great progress of the BHS construction.

10.A Budget and Finance Update

Airport Administration Manager Carpenter presented the Financial Summary for February 2021.

Fund 405 – Customer Facility Charges (CFC) - Revenues stand at 40.9% of the projected budget of \$1.4M, expenditures stand at \$67,252 or 1.64% of the \$4.1M budget.

Fund 410 – Passenger Facility Charges (PFC) - Revenues stand at 31% of budget of \$2.6M, expenditures stand at \$520,000 or 29.7% of budget.

Fund 415 – Airport Operations and Maintenance revenues stand at 52% of the budgeted \$25.5M. Expenditures stand at 47% of the budgeted \$25.9M.

Fund 416 – Capital Projects. Revenue stand at 69% of the \$15.5M budget. Expenditures stand at 18% or \$10.9M of the budgeted \$60M.

As a summary, Fund 415 unrestricted cash amount stands at \$4.8M.

In answer to Vice Chairman's Hoehn question last month about the \$900,000 decline in unrestricted cash between December and January Ms. Carpenter commented that the decrease is primarily due to expenditures exceeding revenues and how it is within the range of changes within an 18 month period. How unrestricted cash dropped eight times in the previous 18 months by amounts averaging between \$10K to over \$1M. The unrestricted cash balance of \$4.3 M last month stands now a \$4.8M.

10.B. Marketing Update

Airport Deputy Director of Marketing & Air Service Development Meier presented the following updates:

Air Service: JetBlue stopped Fort Lauderdale for this season and plans to resume service on September 9.

WestJet canceled Vancouver for April, but still shows the destination for May and beyond. Calgary operates one flight a week in April.

Mr. Meier presented a comparison in number of flights based on published schedules with March trending at 21.8% under 2019, and April at 24% under 2019.

With regard to advertising the airport, the program is moving to summer ads in mid-April with an expanded reach. Web traffic is increasing and social audience is up 75% on Facebook, 20% on Instagram and 4% on Twitter.

The Marketing and Communication Plan RFP generated 13 proposals which are currently in review with scores due back by March 18, 2021. After reviewers meet later this month, the RFP will be presented to City Council in April.

Commissioner Freymuth asked if the Palm Springs airport website logo could be a more prominent feature of the digital billboard advertisement.

11. DISCUSSION AND ACTION ITEMS:

There were no discussion or action items.

12. COMMISSIONERS REQUESTS AND REPORTS:

Commissioner Riesen inquired about the possibility of the Airport Commission meeting again in person.

Airport Executive Director Aguirre commented that this would have to be a City Council action.

City Manager Ready added that there would be no changes in the meeting method until our region has decreased from a Coronavirus purple tier to an orange tier based on number of COVID cases and upon City Council direction.

Commissioner Clarkson commented he could not find the noise complaint hotline and he indicated that he would research other airports websites and see how they present the information and he also asked the Noise Committee members to be prepared to make suggestions at their next meeting in April.

13. REPORT OF CITY COUNCIL ACTIONS:

Included in the packet.

14. CORRESPONDENCE: None.

15. RECEIVE AND FILE:

- 15.A Airline Activity Report February 2021
- 15.B Airlines Schedules April 2021.

16. ADJOURNMENT:

ACTION: Motion to adjourn. **Moved by Commissioner Riesen, seconded by Commissioner Budillo and approved unanimously noting the absence of Commissioners Burke and Hughes.**

The Airport Commission adjourned at 6:17 P.M. to April 21, 2021, at 5:30 P.M. via videoconference.

Nadia P. Seery
Executive Administrative Assistant