



AIRPORT COMMISSION

ACTION SUMMARY MINUTES OF ADJOURNED MEETING

WEDNESDAY, September 16, 2020 – 5:30 P.M.

1. CALL TO ORDER:

Chairman Jones called the Airport Commission Meeting to order at 5:30 P.M. The meeting was held via videoconference.

2. POSTING OF THE AGENDA: Posted on September 10, 2020.

3. ROLL CALL:

Commissioners Present: Breslin, Budilo, Burke, Clarkson, Corcoran, Dada, Feltman, Freymuth, Hedrick, Hoehn, Hughes, Jones, Pattison, Pye, Riesen, Schmitz, Suero.

Commissioners Absent: Adams, Altman.

Staff Present: City Manager Ready, Interim Airport Executive Director Aguirre, Airport Administration Manager Jucht, Airport Executive Administrative Assistant Seery.

Others Present: Mr. Scott White, President / CEO – Greater Palm Springs CVB, Mr. Fred Bell, Director – Palm Springs Air Museum.

Public Presence: None

4. ACCEPTANCE OF THE AGENDA:

ACTION: Accept the Agenda as presented. **Moved by Commissioner Hedrick, seconded by Commissioner Dada, and unanimously approved noting the absence of Commissioners Adams and Altman.**

5. PUBLIC COMMENTS:

Mr. Fred Bell, Palm Springs Air Museum Director, announced that the museum is adding an F-117 Nighthawk stealth fighter to its collection. The official retirement ceremony for this aircraft will take place on October 3rd, 2020.

6. APPROVAL OF MINUTES:

The minutes of the Regular Meeting held on July 08, 2020, were presented for approval. **Moved by Commissioner Hoehn and seconded by Commissioner Schmitz.**

AYES: Breslin, Budilo, Burke, Clarkson, Corcoran, Dada, Feltman, Freymuth, Hedrick, Hoehn, Hughes, Jones, Pattison, Pye, Schmitz.

ABSTAIN: Riesen, Suero.

ABSENT: Adams, Altman.

7. CHAIRMAN COMMENTS

Chairman Jones commented on the announcement that Southwest Airlines will begin service to Palm Springs this fall and congratulated the CVB, Tourism Bureau and Airport Staff past and present for their collaborative leadership and bringing about this achievement as well as the addition of other airlines and routes to Palm Springs. Mr. Jones commented that the reaction in the Coachella Valley had been unprecedented.

Chairman Jones announced that the Marketing Committee meeting would convene before the October Airport Commission meeting. This would be followed by the Noise Committee meeting, and the Budget Committee meeting.

8. INTRODUCTIONS AND PRESENTATIONS:

Interim Executive Director Aguirre presented a PowerPoint slide summarizing the most recent airline service additions to the Palm Springs International Airport. He commented that Southwest was the big announcement of the day and reported that Southwest's management team had visited the airport on a couple of occasions recently. How they are looking forward to joining Palm Springs and serving the greater Palm Springs community.

The other additions consist of JetBlue launching service to Fort Lauderdale on December 19, American Airlines adding Philadelphia on December 19, Allegiant adding Boise on November 19 and Eugene on November 20, Delta adding service to Los Angeles on November 20, and Boutique Air starting service to Los Angeles and Phoenix on October 1st.

Mr. Scott White of the CVB gave a background of the CVB and explained how they are primarily funded by hotels of over 50 rooms through a three percent assessment on gross revenues, and how the funds are meant to benefit the business being assessed. How, in 2013 hotels were aware they were losing business to other destinations such as Phoenix, Tucson, San Diego, and South Florida due to lack of air service. How in 2015, the CVB hired Intervistas to assist with air service

development, the airport would provide operational airline incentives while the CVB used minimum revenue guaranties and marketing agreements.

Mr. White then commented in detail the successive presentations the CVB made to Southwest at aviation conferences “Jumpstart” and “Routes Americas” since 2016. How this was followed by e-mails, conversations, and transmittal of purchased data. How, in 2017, Southwest was hosted in the Valley and toured the airport, but PSP had to take a back burner position while Hawaii was being developed for two years. In 2018, the company Ailevon Pacific Aviation Consulting was retained and was successful in presenting the Valley as a tourism-based destination. How Ailevon revamped presentations and changed the narrative on how to sell and promote this destination.

Mr. White added that COVID has benefited us greatly, as all airlines are losing business travel and looking for leisure destinations. How we were also fortunate that Southwest’s network planners were still in place from six years ago.

Commissioner Dada thanked the Airport Director and Mr. White.

City Manager Ready explained how we are limited as to what the airport can do and he added his thanks to Mr. White and the CVB for stepping up, partnering and going above and beyond expectations. He expressed his deep appreciation for all the work done over the years.

Commissioner Corcoran wondered what competitive impact having Southwest in Palm Springs would have on the other airlines.

Mr. White replied that it depends on what cities and routes they announce. How in other destinations, the arrival of Southwest has generally brought fares down.

Mr. White concluded that it has been a great partnership, that they love working with the airport, and that opportunities abound for the next couple of years.

9. CITY MANAGER REPORT:

None.

10. BUDGET AND FINANCE REPORT:

Airport Administration Manager Jucht presented the July and August 2020 Financial Summary.

Mr. Jucht commented that revenues were pretty dismal over the summer months but did not present any surprises. For FY 2019-20 which ended on June 31, 2020, the airport budget was amended assuming we would use \$2M of the CARES act program,

but we only used \$1.6M, leaving a balance of \$9.4M for FY2020-21. He expressed optimism as the PSP budget is very conservative, and how funds are spent cautiously. How with the CARES money, the airport is comfortable looking at the budget for FY2020-21. How we are excited about Southwest's new service, as concessions, parking and car rental revenues should take off again before the holidays. How this, coupled with a healthy cash balance, puts the airport in a good position.

11. DISCUSSION AND ACTION ITEMS:

11.A Turf Conversion Project

Interim Airport Executive Director Aguirre explained how the Landscape Committee met on September 14, and how one of the discussions related to a discussion held 24 months ago about transforming some of the airport turf area to conserve water when the state was facing a drought. City Sustainability Manager Tallarico was invited to show the Commission a program presented to the Landscape Committee on September 14, 2020.

Mr. Tallarico introduced two projects: the demonstration garden project and phasing ideas for the future conversion of turf at the airport.

Mr. Tallarico presented maps of the areas under consideration, with the demonstration garden located in the central area between the terminal and the fountain. He explained how the Sustainability Department worked with the consultants to design a demonstration garden showcasing a variety of plants growing in the Coachella Valley. How the design considerations included low plantings situated on either side of a central grassy area to maintain open views to the fountain and mountains. Two paths would direct pedestrian movements towards existing sidewalks and crossways, and shallow basins in some planter areas would be included for water retention and infiltration. How crushed rock would be used instead of decomposed granite and no trees would be added. The plants would be identified by signs, including barcodes to be scanned on cell phones. Some climate adapted turf such as buffalo grass is being considered to preserve the look and be water economical.

The project should cost a total of \$150,000, with \$60,000 funded by the state, DWA providing a reimbursement of \$3.00 per sq. ft. for the conversion area, and the Sustainability Department covering the remaining costs estimated at \$50,000.

Commissioner Pye inquired about the approval process and how changes had been made in the past by a committee after all had been approved.

Sustainability Manager Tallarico explained how the process here consisted of a presentation first to the Sustainability Committee, then to the Airport Commission, and finally to City Council.

ACTION: Recommend that City Council approve moving forward with the demonstration garden part of this concept. **Moved by Commissioner Hedrick, seconded by Commissioner Hoehn and unanimously carried noting the absence of Commissioners Adams and Altman.**

Mr. Tallarico then presented the second part of the concept which is the turf conversion in other areas at the airport. How the airport had already looked into this some years ago and costs were prohibitive to convert all areas simultaneously. Therefore, the Sustainability Department is proposing to parcel out the areas.

How the first area to consider is the entrance to the airport, where lanes are divided by sloping berms. The second area is the corner of Ramon Road and Gene Autry Trail, surrounding the airport sign. The aim is to have plantings which require little water, are attractive and low maintenance with desertscape that mirrors what already exists in other parts of the airport.

The last area would be the grassy berm along El Cielo.

Airport funding would be required to accomplish this project and outside funding would also be sought. The berm along El Cielo would be divided in multiple areas of 10,000 square feet and each area would cost approximately \$200,000 to convert.

Mr. Tallarico explained that this concept would be presented to City Council, but would not move forward until funds are available from grants, from the DWA and from the airport. At such time, the design with more specific details would be presented again to the airport.

Chairman Jones indicated that the Landscape Committee had endorsed this concept as well with the understanding that it would not move forward until the airport had sufficient funds and the Airport Commission had a second chance to review it and take action.

Commissioner Breslin asked when this would be presented to City Council.

Mr. Tallarico replied it would be presented in October.

ACTION: Support the presentation of this turf conversion concept to City Council without a commitment. **Moved by Commissioner Breslin, seconded by Commission Hedrick and unanimously carried noting the absence of Commissioners Adams and Altman.**

12. EXECUTIVE AND STAFF REPORTS:

Interim Airport Executive Director Aguirre provided the following updates:

Ticket Wing Construction:

With PowerPoint photos, Mr. Aguirre showed the progress at the new ticket counter location with the walker duct now covered in cement. New space is being delineated for airline offices, for the baggage handling system and for EDS screening machines. Earth work is taking place with baggage tunnels being dug. The three outbound baggage carousels were shown in various stages of construction and Mr. Aguirre explained the baggage transfer process.

Commissioner Riesen asked about the timeline for the end of the ticket wing remodel project.

Mr. Aguirre replied that this project is scheduled to be completed by May 2021. The north ticket counter area is expected to be ready between Thanksgiving and Christmas 2020, the baggage handling system by February 2021, followed by the south ticket wing by May.

Marketing Deputy Director:

Mr. Aguirre was glad to announce that the new Deputy Director of Aviation, Marketing and Air Service, Daniel Meier, would start on October 5, 2020. How Mr. Meier has experience both with an airline and an airport. He will be introduced at the next Airport Commission meeting.

Airport Administration Manager:

A recruitment announcement was issued in the industry for the Airport Administration Manager's position to replace Mr. Mark Jucht who is retiring in November.

TSA Enhancements:

The TSA is enhancing the security checkpoint area which will facilitate throughput and improve efficiency of TSA agents. One AT machine was replaced by a CT machine and the replaced equipment will be put in operation as the sixth screening lane. The TSA is also adding an Advanced Imaging Technology (AIT) machine, which will be helpful for travelers with replaced knees or hips.

Concessions News:

Airport staff is working with Paradies to continue enhancing food offerings. Paradies is looking to open a coffee concession where the Starbucks used to be post security. They are waiting for final approval of a liquor license to enable them to provide service at the 12th Fairway. They also plan to reopen a facility in the RJ concourse.

Airport Administration Manager Jucht commented that Paradies is well aware of the new air service being added and that they will have facilities open prior to the Southwest start of operations. Equipment is arriving next week and they are working diligently to accommodate the airport.

CONRAC:

City staff led by Assistant City Manager Fuller and the airport team resumed preliminary discussions with Gensler regarding car rental facilities. However, it is still too early to move in any direction based on the state of the industry.

13. COMMISSIONERS REQUESTS AND REPORTS:

Chairman Jones explained that City Council commissioned the Arts Commission to have a number of benches around town artistically painted. They wanted to possibly paint a couple of pilot benches at the airport.

City Manager Ready explained that if they wanted to appropriate moneys from the airport to proceed, this item would need to be agendized for an Airport Commission approval.

Chairman Jones explained it was presented at the Landscape Committee meeting of September 14, 2020. How they would review the designs and make a recommendation to the Commission.

Commissioner Feltman commented that a proposal is being developed with regard to take-out foods and disposable items and he did not remember if the Commission had been contacted about this matter, and how he feels the airport is a huge stakeholder.

Interim Executive Airport Director Aguirre did not recall any discussions on this item.

Commissioner Feltman then referred to a public comment made at the last meeting regarding a shade structure at the Rideshare area and asked that if it had been considered.

Interim Executive Airport Director Aguirre explained how it had been looked into, and the location provides challenges in terms of offering shade throughout the day.

City Manager Ready explained that it would be a topic of discussion for the entire Commission as this project would require a good deal of resources.

Commissioner Feltman commented how the Airport Commission is meeting at this hour by mandate of the City Council, how for the purposes of this Commission he would like to suggest that we keep track of citizens attending our meetings to see at the end of the year whether there is a difference in attendance by the general public.

Chairman Jones agreed that we could track it and review it at a future time.

Vice Chairman Hoehn suggested we look at providing shade at the taxi line as well.

Commissioner Breslin asked how one would respect social distancing under a shade structure.

Commissioner Suero asked if the priority lane could be reconsidered for the TSA queuing area.

Executive Airport Director Aguirre indicated he would check with the TSA whether this is a feasible option.

Mr. Aguirre commented that the USO may be able to reopen its doors before the end of September and airport staff is working with them on that endeavor.

14. REPORT OF CITY COUNCIL ACTIONS:

Included in the packet.

15. CORRESPONDENCE: None.

16. RECEIVE AND FILE:

ACTION: Receive and file:

Item 16.A. August 2020 Airline Activity Report.

Item 16.B. October 2020 Airlines Schedules.

17. ADJOURNMENT:

ACTION: Motion to adjourn. **Moved by Commissioner Schmitz, seconded by Commissioner Suero and approved unanimously noting the absence of Commissioners Adams and Altman.**

The Airport Commission adjourned at 6:48 P.M. to October 21, 2020, at 5:30 P.M.

Nadia P. Seery
Executive Administrative Assistant