



AIRPORT COMMISSION

ACTION SUMMARY MINUTES OF REGULAR ADJOURNED MEETING

Wednesday, October 18, 2023 – 5:30 P.M.

1. CALL TO ORDER:

Chairman Dada called the Airport Commission Meeting to order at 5:33 P.M. and Chairman Dada lead the Pledge of Allegiance. The meeting was held in-person and via videoconference.

2. POSTING OF THE AGENDA: Posted on October 12, 2023.

3. ROLL CALL:

Commissioners Present:

Gerald Adams (Palm Springs)	Kathleen Hughes (La Quinta)
Dave Banks (Palm Springs)	Tracy Martin (Palm Springs)
Robert Berriman (Indian Wells)	Tony Michaelis (Cathedral City)
Daniel Caldwell (Palm Springs)	Margaret Park (Riverside County)
Kevin Corcoran (Palm Springs) - Vice Chair	Jan Pye (Desert Hot Springs)
Aftab Dada (Palm Springs) - Chair	M Guillermo Suero (Palm Springs)
Denise Delgado (Coachella)	Rick Wise (Indio)
David Feltman (Palm Springs)	Kevin Wiseman (Palm Desert)
J Craig Fong (Palm Springs)	Keith Young (Rancho Mirage)

Commissioners Absent: Todd Burke (Palm Springs)

Staff Present:

Jeremy Keating, Assistant Airport Director
 Daniel Meier, Deputy Director of Aviation, Marketing and Air Service
 Victoria Carpenter, Airport Administration Manager
 Jake Ingrassia, Communications and Marketing Specialist
 Kristopher Mooney, Finance Director
 Oscar Verdugo, City Attorney
 Christina Brown, Executive Program Administrator

4. ACCEPTANCE OF THE AGENDA:

ACTION: Accept the Agenda as presented. **Moved by Commissioner Michaelis, seconded by Commissioner Park, and unanimously approved noting the absence of Commissioner Burke.**

5. **PUBLIC COMMENTS:** None

6. **APPROVAL OF THE MINUTES:**

ACTION: Approve the minutes of the Airport Commission Meeting of May 17, 2023 with corrections. **Moved by Commissioner Pye, seconded by Commissioner Wise and approved by the following roll call vote: 14 Yes; 4 Abstain; and noting the absence of Commissioner Burke.**

7. **INTRODUCTIONS AND PRESENTATIONS:**

7.A Airport Commissioner Dave Banks (Palm Springs)

Chairman Dada introduced newly appointed Airport Commissioner Dave Banks (Palm Springs). Commissioner Banks noted that he had worked for Microsoft for over 20 years, he now works in acquisitions, and he was excited to be serving on the Airport Commission.

7.B Jake Ingrassia, Communications and Marketing Specialist

Chairman Dada introduced the Airport's new Communications and Marketing Specialist Jake Ingrassia. Mr. Ingrassia noted that he had been a television reporter with KESQ News Channel 3 in the Coachella Valley for five and half years. He said that he knows the community and the Airport very well and that he is excited to be representing the Airport.

7.C Interim City Attorney Oscar Verdugo

Chairman Dada introduced the Airport's Interim City Attorney Oscar Verdugo. Mr. Verdugo noted that he is an associate with Best Best & Krieger, he said that he was born and raised in the Coachella Valley and that he was excited to be working with the Airport.

8. **DISCUSSION AND ACTION ITEMS:**

8.A Measure J

Vice Chairman Corcoran noted that the Commission had been notified at the September meeting that the Airport currently has \$1.3 million available in Measure J Funds. Finance Director Kristopher Mooney advised the Commission that the Airport will have \$1.5 million available in Measure J Funds as of December. Vice Chairman Corcoran said that the Commission and the Airport staff had been asked to provide additional recommendations for potential investments that could benefit from the Measure J Funds, and the Commission would be reviewing the list of proposed projects from the Commission and staff.

Vice Chairman Corcoran inquired about the proposal to fund Shade Area Phase 1 – TSA & RJ Concourse Seating when the project was already in progress. Assistant Airport Director Keating explained that the total cost of the project was \$240,000, a grant from Visit Greater Palm Springs was paying for \$100,000 of the project, and the Airport was responsible for the remaining balance of \$140,000. Vice Chairman Corcoran asked if the Airport had budgeted for the \$140,000, and Mr. Keating confirmed that the \$140,000 had been budgeted. Vice Chairman Corcoran asked staff if they would agree that projects that had already been budgeted should not be included in the discussion. Airport Administration Manager clarified that the design construction for the shade structures and the Wi-Fi were in the budget for this fiscal year.

Vice Chairman Corcoran said that he had recalled that staff was going to remove the budgeted projects from the list, he noted that he recognized that the Wi-Fi project is important, and he inquired about the completion of the Wi-Fi project. Mr. Keating said that he hadn't received a date of completion from the IT Department, and he said that the IT Department was making progress on the project and that he believed that the IT Department would soon be asking the City Council to approve the procurement of Wi-Fi equipment. Vice Chairman Corcoran said that he was going to remove everything except the shade structures for the Uber, Lyft and Taxi pickup area from the section of proposed projects by staff and Commission.

In regard to the proposed Mid-century outdoor seating benches, circular benches, interior benches, and cement planting structures, Commissioner Adams recommended that the Commission keep in mind that each of the projects that were being proposed should be relevant to the Airport's Master Plan, and the projects should be able to be utilized long-term. He referred to the mid-century outdoor seating benches, and he said that the original manufacture was still making the benches and that they could duplicate the Airport's original benches. Commissioner Adams said the quotes he has sent to staff for each of the proposed items came to a total of \$84,000, and he said that the items would be long lasting and historically appropriate.

Vice Chairman Corcoran said that he was in favor of the water fill stations for \$50,000, and he asked Mr. Keating to review the list of proposed projects by staff. Mr. Keating reviewed the 14 projects that staff was proposing. Vice Chairman Corcoran noted that the Commission has \$1.5 million to spend on a project, and he recommended that the Commission take into consideration the projects that would have the greatest impact on the Airport's customer experience.

Commissioner Park asked staff to provide their top three project recommendations. Mr. Keating said that shade structures, restroom renovations, and Wi-Fi would be the staff's top three projects. Deputy Director of Aviation, Marketing and Air Service Meiers noted that the top three complaints that are received from Airport customers are in regard to the appearance of the restrooms and the carpet and the need for shade structures.

Commissioner Martin questioned why projects such as floor repair were being listed as a proposed project when floor repair would be a normal maintenance repair that would already be in the budget. Mr. Keating said that by using the Measure J funds, it would free up some of the budgeted funds which could be used for other projects, and he said that there was a significant demand for shade structures.

Commissioner Young asked if it would be useful for the Commission to support funding the projects that were already high-level priorities and that would otherwise be funded somehow to give staff financial flexibility for an unforeseen project in the future. Vice Chairman Corcoran said that he did not in support using Measure J funds on projects that have or will have the funds available in the budget. Commissioner Young asked staff to review the projects that would not automatically be funded in the budget and that would be meaningfully contribute to the customer experience. Mr. Keating suggested the shade structure project.

Commissioner Banks asked if the parking revenue system would create more revenue for the Airport or if the system was meant to create a better parking experience. Mr. Keating said that the parking revenue system would create more revenue and it would also improve the parking experience. Commissioner Wiseman asked for clarification on the intent of the Measure J tax, and Chairman Dada said that the intent was for the tax to be used to create a good customer experience.

Commissioner Wise requested that staff provide a project list that groups the projects according to if they are budgeted, partially budgeted, or not budgeted. Commissioner Caldwell asked if the Measure J funds could be used for marketing. Chairman Dada said that the Measure J funds must be used for capital improvement projects. Vice Chairman Corcoran asked staff to review the projects that were budgeted so that the Commission could narrow the project list down to the projects that weren't budgeted. Ms. Carpenter reviewed the projects, and she noted if the project was budgeted, partially budgeted, or not budgeted.

Chairman Dada voiced his support for funding the shade structures for the Uber/Lyft/Taxi pickup area. Vice Chairman Corcoran asked the Commissioners if there was a consensus to use the Measure J funds to fund the \$1 million Shade Structure - Uber/Lyft/Taxi Project, and the majority of the Commission were agreeable to using the Measure J funds to fund the \$1 million Shade Structure - Uber/Lyft/Taxi Project with the exception of Commissioner Feltman who asked why the cost of the Shade Structure - Uber/Lyft/Taxi Project was so much higher than the Shade Area Phase 1 - TSA & RJ Seating – Paradise Project. Vice Chairman Corcoran explained that the Shade Structure - Uber/Lyft/Taxi Project would require a much larger shade structure.

Commissioner Wiseman proposed also using the Measure J funds to fund the Carpet Replacement - Main Terminal Lobby and Security Check Point Project and the Water Fill Stations Project. Commissioner Fong inquired about the Conference/Meeting

Rooms Project, and he asked if the project would generate revenue. Ms. Carpenter explained that the project would improve the Airport conference room's audio and video capabilities, and she said that the project could be revenue generating because the Airport could rent the room out to the airlines and Airport tenants. Vice Chairman Corcoran noted that the project would not have an impact on the Airport's customer experience.

Commissioner Adams proposed also using the Measure J funds for the Mid-Century Outdoor Seating Benches, Circular Bench, Interior Benches, and Cement Planting Structures Project. Commissioner Young proposed also using the Measure J funds for the Charging Stations Inside the Concourses Project. Vice Chairman Corcoran asked if the cost of the charging station project was correctly listed for \$1 million. Mr. Keating said that the project would most likely require trenching through the flooring because the Airport doesn't have the necessary outlets throughout the concourses. Vice Chairman Corcoran noted that the project could be addressed in the Airport's Master Plan.

Finance Director Mooney said that he wanted to make sure that the Commission was comfortable with the estimated cost of \$1 million for the Shade Structure - Uber/Lyft/Taxi Project, and he noted that currently, the cost of projects were typically coming in way over what was estimated, and he wanted to make sure that there is sufficient funds to pay for the project. He voiced his support for the shade structure project, and he said that he believed that the Measure J Oversight Commission would also support the project. Mr. Mooney suggested that any additional projects chosen by the Commission be listed as optional projects. Vice Chairman Corcoran said that the Commission would list the projects out by priority.

Vice Chairman Corcoran asked staff if the Airport could fund some of the cost for the carpet replacement project, and he proposed the following four projects in order by priority:

1. Shade Structure - Uber/Lyft/Taxi Project - \$1 million
2. Water Fill Stations Project - \$50,000
3. Carpet Replacement - Main Terminal Lobby and Security Check Point Project - \$400,000
4. Mid-Century Outdoor Seating Benches, Circular Bench, Interior Benches, and Cement Planting Structures Project - \$100,000

Commissioner Park said that she would prefer to have the Carpet Replacement - Main Terminal Lobby and Security Check Point Project listed as the second priority because the rips and tears in the carpet were a liability for the Airport. Vice Chairman Corcoran said he disagreed, and he said that the Airport should have to pay for part of the carpet. Commissioner Park said that she believed that this was a great opportunity to

expedite the carpet replacement, especially when there were negative comments being posted on social media about the appearance of the Airport's carpet which reflects poorly on the building. Vice Chairman Corcoran asked staff if the Commission were to approve a portion of the carpet replacement be funded by the Measure J funds, would staff be willing to fund the balance. Mr. Keating said that the Airport could fund the balance.

Vice Chairman Corcoran reviewed the revised projects in order by priority:

1. Shade Structure - Uber/Lyft/Taxi Project - \$1 million
2. Carpet Replacement - Main Terminal Lobby and Security Check Point Project - \$400,000
3. Water Fill Stations Project - \$50,000
4. Mid-Century Outdoor Seating Benches, Circular Bench, Interior Benches, and Cement Planting Structures Project - \$100,000

ACTION: To recommend the four proposed projects to the Measure J Oversight Commission. **Moved by Commissioner Wise, seconded by Commissioner Young and unanimously approved.**

8.B Airport Master Plan Update

Assistant Airport Director Keating reported that the Airport Master Plan public open house was held on September 19th, there were approximately 160 attendees, 875 unique users visited the Airport Master Plan website, 400 visitors downloaded the Master Plan documents, and 42 comments were received. He said that the Master Plan Working Group met on October 12th to continue working on the refinement of the terminal concepts.

Vice Chairman Corcoran said that there were five proposed terminal design concepts, and based on the feedback, the Master Plan Working Group had narrowed it down to two designs. He said that the two designs were completely different were one design would renovate the main terminal, the Bono Concourse would remain the same, and an international terminal would be added to the north, and the other design which would be to build a new airport on the South side, and the Wexler terminal would become something else like a museum. Vice Chairman Corcoran noted that the design to rebuild the Airport would cost a lot more money and it would cost less to operate, and he said that staff was proposing to present the terminal design concepts to the Commission at a special meeting in December and the Commissioners should review terminal design concepts 1A and 3 which were available on the Airport's Master Plan webpage.

Commissioner Fong asked if both designs have 32 gates. Vice Chairman Corcoran confirmed that both designs have 32 gates and that both projects would have multiple project phasing.

8.C Marketing and Air Service Update

Vice Chairman Corcoran noted that the Marketing and Air Service Update had been provided in the agenda packet, and he asked Deputy Director of Aviation, Marketing and Air Service Meier to review Communications and Marketing Specialist Ingrassia's responsibilities and how the scope of Mr. Ingrassia's position is relative to Mr. Meier's position. Mr. Meier said that Mr. Ingrassia would be handling the communications work from media to social media and the community engagement events, and he would be reporting to Mr. Meier. Vice Chairman Corcoran said that the work that the Marketing team has been putting out has been really good, clever and classy.

8.D Turo

Airport Administration Manager Carpenter said that staff was requesting that the Airport Commission take action and recommend to the City Council the approval of an annual agreement with Turo for peer-to-peer vehicle sharing services at the Airport. She said that an annual agreement with Turo would contribute significant non-aeronautical revenue to the Airport, and indirectly, the funding would play a pivotal role in funding the Airport's future capital projects due to the agreement having a competitive 10% gross revenue share to the Airport.

Ms. Carpenter said that in order to provide convenient options for the Airport's passengers, staff has designated two parking spaces in the Airport's commercial vehicle lane for Turo to use and that Turo could also park vehicles in the public parking lots which would generate additional parking revenue for the Airport. She said that she had reached out to neighboring Airports such as Ontario, LAX, and San Diego to confirm that the 10% gross revenue share was the industry standard, and she noted that Governor Newsome had mandated a requirement for Turo to have operating agreements with the airports that they are operating out of by July 2024 and that Turo had reached out to Airport staff in good faith.

Ms. Carpenter said that she was estimating that Turo would have approximately 1,500 transactions a month during the peak season and 450 to 600 transactions per month in the low season which could bring the Airport about \$400,000 in revenue for the year. Commissioner Wise inquired about the location of the two designated parking spaces. Ms. Carpenter explained that the two parking spaces were adjacent and further south from the Uber and Lyft pick up area. Commissioner Wise asked how long the vehicles would be allowed to park in the designated spaces. Ms. Carpenter said that the vehicles were allowed to park in the designated spaces for less than 24 hours.

Commissioner Young asked Ms. Carpenter if the Turo agreement would bring significantly more vehicles to the public parking lots. Ms. Carpenter explained that the Turo vehicles were meant to have a quick turnaround period and that it was more likely Turo would be utilizing the public parking lots at the hourly rate versus the 24-hour period rate, and she said that staff would be watching Turo's activity over the next year.

Commissioner Wiseman noted that if Turo were to use the free parking that was located at City Hall or street parking, it could affect the projected parking revenue, and he asked how Turo's gross revenue share compares to the revenue received from the car rental companies. Ms. Carpenter said that the car rental companies also pay a 10% gross revenue share, and she noted that Turo wouldn't be required to pay the CFC's that the rental car companies are required to pay, which was in line with the neighboring airports. She said that staff purposely chose to enter into a one-year agreement so that staff could reevaluate Turo's fees each year.

Commissioner Fong voiced his concern in regard to how the agreement with Turo would impact the Airport's parking lots, and he asked if staff had an idea of how many vehicles could be left in the parking lot overnight. Ms. Carpenter said that it was a possibility that the vehicles could be left in the parking lot overnight, and she said that the Airport's parking management company ABM would be monitoring the vehicles for any activity that is in violation of the agreement, ABM would notify staff, staff would notify Turo, and Turo would remedy the situation by reprimanding, fining, or removing a user.

Commissioner Feltman asked staff to make sure that the designated signage is implemented before Turo begins providing their services which affects the driving and parking experience at the Airport. Commissioner Martin asked if it was staff's expectation that the \$400,000 from Turo would be incremental new money or would it be cannibalizing existing rental car money. Ms. Carpenter noted that Commissioner Wiseman had pointed out at a previous meeting that Turo had been operating at the Airport since at least 2021 and that she believed that the money would be new money.

Commissioner Wiseman said that he believed that it was a bit unfair that Turo gets a different deal than the rental car companies which maybe the parking revenue compensates the Airport for the difference in CFC revenue, he said that he would like to see those things be equal, he reiterated Commissioner Fong's concern about Turo impacting the parking during the high peak demands, and he suggested that staff require Turo to park in the parking lots that are further away rather than being allowed to park in the parking lots that are closer to the terminal.

Chairman Dada exited the meeting at 6:32 p.m.

ACTION: To recommend to City Council the approval of a one-year agreement with Turo that is to be reviewed and approved on an annual basis by the Executive Director

of Aviation. **Moved by Commissioner Young, seconded by Commissioner Park and approved by the following roll call vote: 16- Yes; 1 – Abstain; and noting the absence of Chairman Dada and Commissioner Burke.**

8.E Financial Summary Update

Vice Chairman Corcoran noted that the Financial Summary Update was provided in the agenda packet, and Airport Administration Manager Carpenter said that the Airport was doing very well financially.

8.F Concessions Update

Airport Assistant Director Keating noted that the updated concession projected opening dates schedule was provided in the agenda packet, and he noted that the schedules for The Pink Door and I Heart PSP had moved out slightly on the schedule which was due to only one contractor bidding on the project, and the project had to be rebid. He said that El Mirasol and Coachella Valley Coffee were currently under construction, and the barricade for Nine Cities was put in place last week.

Vice Chairman Corcoran inquired about the signage that promotes the new concessions. Deputy Director of Aviation, Marketing and Air Service Meier said that staff was working with Paradies and The Marshall Retail Group (MRG), and he said that the 40-foot barricade for Las Palmas Oasis would include numerous coming soon information and logos for each of the concourses. He said that more signs had been ordered with the information for the stores that were open during construction that also include a QR code to a terminal map and directions and that the signs would be arriving within the next two weeks. Mr. Meier said that he would also be putting up some temporary signs that would be placed in front of the locations that were under construction that would also direct passengers to the locations that were open, and he said that staff was also continuously updating the website with the most current concessions information.

Vice Chairman Corcoran noted that the Ad Hoc Design Review Committee that included himself and Commissioners Adams, Burke, Feltman, and Wiseman had been created to work with staff, Paradies, and MRG on the naming, design, and concession products that would be sold at the Airport. He said that one of the things that was important to the Ad Hoc Design Review Committee was that there was significant commitment to local brands and products for both the retail and food and beverage concessions.

Vice Chairman Corcoran said that MRG held a public session on that day at Visit Greater Palm Springs for retail vendors to present their products to MRG. He said that 60 vendors were at the session, and MRG reviewed the overall objectives of the vendors, and they ensured that the products were centric to the desert and specifically to Palm Springs. Vice Chairman Corcoran said that he thought that MRG had done a

fabulous job reflecting the priorities that the Commission had set out and explaining to the vendors what works in an airport and what doesn't work in an airport. He said that the MRG team was right on message and that MRG's general manager David Hoffman was stellar.

8.G Projects and Airport Capital Improvement Program Update

Executive Program Administrator Brown noted that the update had been provided in the agenda packet by Airport Executive Director Barrett. Vice Chairman Corcoran asked if there were any projects that were having issues with getting permits. Mr. Keating confirmed that there had been some delays with getting permits due to a new permitting system and staff, he said that the new Building Official was trying to do his best to help staff, and the Airport staff was meeting weekly with the Building Department staff to help move the permitting process forward for the concessions projects. Vice Chairman Corcoran asked staff to report back on the permitting situation at the next Commission meeting.

9. EXECUTIVE DIRECTOR REPORT:

Vice Chairman Corcoran noted that Airport Executive Director Barrett had provided the report in the agenda packet.

10. COMMISSIONERS REQUESTS AND REPORTS:

Vice Chairman Corcoran reported that staff was proposing to hold a special meeting on Wednesday, December 6th from 1:00 p.m. to 4:00 p.m. Executive Program Administrator Brown explained that the intent of the special meeting would be for staff to provide a strategic planning session update on the projects that the Commission had prioritized at the original strategic planning session, and it was staff's plan to provide a more in-depth strategic planning session in December 2024 and that the departments would be presenting their goals and how they would be achieving their goals. Ms. Brown explained that staff needed the additional time to enter into an on-call contract for planning services, and the on-call planner would help staff facilitate the strategic planning session. Vice Chairman Corcoran noted that staff would also be presenting the Airport Master Plan terminal design concepts at the special meeting on December 6th.

Vice Chairman Corcoran inquired about the Airport Job Fair. Ms. Carpenter said that the Airport was hosting a Job Fair on Tuesday, October 24th at the Palm Springs Convention Center from 10:00 a.m. to 4:00 p.m. and that there would be 10 different Airport tenants and the City of Palm Springs at the Job Fair to promote a 100 open positions. She said that there would be on the spot interviews, she encouraged the Commissioners to spread the word, and she said that Communications and Marketing Specialist Ingrassia had prepared a media report for the Job Fair. Deputy Director of Aviation, Marketing and Air Service Meiers said that the media report had gone out

that morning and that that the event was also being promoted on both Facebook and LinkedIn.

Commissioner Feltman requested that the Commissioners receive courtesy announcements and emails about Airport media announcements prior to the press releases going out to the public, and he said that the announcement of the hiring of Communications and Marketing Specialists Ingrassia was surprising to him and several others and that the same has happened on airline announcements. Mr. Meier said that the full Commission is emailed at the same time the press releases are sent to the media, and he said that the Airport did not issue a press release for the hiring of Mr. Ingrassia, and he explained that the news article was independently conducted by the news outlet.

Vice Chairman Corcoran said that he and others received a lot of flack about not knowing ahead of time about the hiring of Mr. Ingrassia because he is such a presence in the community which he thought was a mistake, he noted that the Commission was not notified by staff about the Rancho Relaxo outreach to vendors, and he asked if staff could agree to notify the Commission first, and if staff was agreeable, could Mr. Meier be held responsible to make sure that there were no surprises for anything that has to do with the Airport. Mr. Meier said that he learned about the Rancho Relaxo event at the same time that the Commission learned about the event, and he said that he would continue to send the press releases to the Commission.

Assistant Airport Director Keating said that it could be difficult in some situations to determine what the Commission should or should not be notified about, and Mr. Meier noted that airline announcements were extremely sensitive. Mr. Keating said that staff would need to discuss the matter further with Airport Executive Director Barrett to discuss the parameters of what information should be released to the Commission first because staff was dealing with a significant amount of information. Mr. Meier noted that typically, the Commission isn't notified about staffing decisions.

Vice Chairman Corcoran asked staff to error on the side of communication. He said that the Rancho Relaxo situation was totally inappropriate because someone from staff had to know about the event and as important as the concessions are, someone should have notified the Commission, and he said that if it is important, or you don't know, send the information out to let the Commission know what is going on. Mr. Keating said that staff would make a better attempt to communicate with the Commission.

11. REPORT OF CITY COUNCIL ACTIONS:

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

12. RECEIVE AND FILE:

- 12.A Airlines Activity Report September 2023
- 12.B Airline Activity Report Fiscal Year Comparison

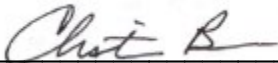
13. COMMITTEES:

- 13.A Future Committee Meetings

Vice Chairman Corcoran reported that Commissioner Adams had agreed to Chair the Budget and Finance Committee.

ADJOURNMENT:

The Airport Commission adjourned at 7:01 P.M. to a Regular Meeting on November 15, 2023, at 5:30 P.M.



Christina Brown
Executive Program Administrator

APPROVED BY AIRPORT COMMISSION 2/21/24