



palm springs

INTERNATIONAL AIRPORT

AIRPORT COMMISSION

MARKETING AND BUSINESS DEVELOPMENT COMMITTEE AGENDA

Airport Conference Room, Palm Springs International Airport

3400 E. Tahquitz Canyon Way, Palm Springs, CA 92262

Thursday, November 7, 2024, at 11:00 A.M.

Submit your public comment to the Marketing and Business Development Committee electronically. Material may be emailed to: Andrew.LeCompte@palmspringsca.gov - Transmittal prior to the start of the meeting is required. Any correspondence received during or after the meeting will be distributed to the Marketing and Business Development Committee and retained for the official record.

- 1. CALL TO ORDER**
- 2. POSTING OF AGENDA**
- 3. ROLL CALL**
- 4. ACCEPTANCE OF AGENDA**
- 5. PUBLIC COMMENTS:** Limited to three minutes
- 6. INTRODUCTIONS**
- 7. APPROVAL OF MINUTES:** April 2, 2024
- 8. ACTION AND DISCUSSION ITEMS:**
 - 8.A** Crisis Communications Update
 - 8.B** Capital Improvement Program Webpage Update
 - 8.C** Customer Comments Update
 - 8.D** Air Service Development Update
 - 8.E** Customer Experience Program Update
- 9. COMMITTEE MEMBER REPORTS AND REQUESTS**
- 10. ADJOURNMENT**

AFFIDAVIT OF POSTING

I, Harry Barrett, Jr., Airport Executive Director, City of Palm Springs, California, hereby certify this agenda was posted on October 31, 2024, in accordance with established policies and procedures.

PUBLIC NOTICES

Pursuant to G.C. Section 54957.5(b)(2) the designated office for inspection of records in connection with the meeting is the Office of the City Clerk, City Hall, 3200 E. Tahquitz Canyon Way. Complete Agenda Packets are available for public inspection at: City Hall Office of the City Clerk. Agenda and staff reports are available on the City's website www.palmspringsca.gov. If you would like additional information on any item appearing on this agenda, please contact the Office of the City Clerk at (760) 323-8204.

It is the intention of the City of Palm Springs to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, or in meetings on a regular basis, you will need special assistance beyond what is normally provided, the City will attempt to accommodate you in every reasonable manner. Please contact the Department of Aviation, (760) 318-3800, at least 48 hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible.

AIRPORT COMMISSION
MARKETING AND BUSINESS DEVELOPMENT COMMITTEE

Wednesday, April 2, 2024 – 2:00 P.M.

SUMMARY MINUTES

1. **CALL TO ORDER:**

Committee Chairman Burke called the Committee to order at 2:00 p.m.

2. **POSTING OF AGENDA:** Agenda posted on March 28, 2023.

3. **ROLL CALL:**

Committee Members Present: Burke, Caldwell, Hughes, and Wise

Committee Members Absent: Fong, Suero, Wiseman

Staff Present:

Harry Barrett, Airport Executive Director

Daniel Meier, Deputy Director of Aviation, Marketing & Air Service

Christina Brown, Executive Program Administrator

4. **ACCEPTANCE OF AGENDA:**

ACTION: Accept the agenda as presented. **Moved by Committee Member Hughes and seconded by Committee Member Wise and unanimously approved noting the absence of Committee Members Fong, Suero, and Wiseman.**

5. **PUBLIC COMMENTS:** None

6. **APPROVAL OF MINUTES:**

ACTION: Approve the minutes of the Marketing and Business Development Committee meeting held on July 12, 2023. **Moved by Committee Member Hughes, seconded by Committee Member Wise and unanimously approved noting the absence of Committee Members Fong, Suero, and Wiseman.**

Deputy Director of Aviation, Marketing & Air Service Meier distributed an information packet. Executive Program Administrator Christina Brown stated that general questions on the topics included in the packet could be asked, but in-depth discussion or decision making was prohibited as this item was not listed on the agenda for discussion.

Deputy Director of Aviation, Marketing & Air Service Meier provided a brief update on the concessions program, including wayfinding signage placed to provide information on the availability of the new concessionaires and their offerings. Wayfinding coffee service is of paramount importance. Updates on trade agreements for advertising with various entities were provided. An update on the trade agreement was presented, including information on parking vouchers. An update on the partnership with the Galleri Classic was presented, including internal advertising, tournament sponsorship, and the Airport logo placement. Committee Member Wise confirmed with staff that there is minimal to no cost impact to the Airport for these types of mutually beneficial agreements.

Mr. Meier reported the Airport would be relaunching its newsletter in Quarter 2, with internal staff leading the project. Committee Member Wise inquired if this was to be a public newsletter. Mr. Meier responded by noting that the public can sign up for the newsletter on the website, there are currently between 6,000 to 7,000 enrolled to receive the newsletter and that staff can include Commissioner emails on the distribution. Research will be conducted on the use of various electronic distribution services such as MailChimp or Constant Contact. The goal is to have the newsletter relaunched in the second quarter of this fiscal year.

Mr. Meier provided a brief update on recognition and training efforts for Airport Navigators, including a planned spring education event to provide them with detailed information they can provide to travelers. Mr. Meier acknowledged the efforts of the Visit Palm Springs organization in informing the Airport Navigators.

Mr. Meier reported on staff's upcoming release to issue a Request for Proposal (RFP) related to servicing of light poles and brackets, for the purpose of placing informational banners. The project may include the development of a Geographic Information System map for pole locations. A brief report was provided on the upcoming marketing staff positions and projected duties, including brand management, marketing analytics, and work with the advertising team. The proposed staff configuration will be presented to the full Airport Commission at an upcoming meeting.

7. ACTION AND DISCUSSION ITEMS:

7.A Agua Caliente Activation Space Update

Deputy Director of Aviation, Marketing & Air Service Meier provided an update on the activation space, including a recent meeting between Airport staff, Commission members, and Fuse Connect, where design concepts were reviewed and discussed. The proposed design would incorporate seating, passenger amenities, power stations, and brand experiences. Airport staff and Commission provided feedback to Fuse Connect and notated a preference for a Palm Springs feel, rather than the proposed Vegas-style concept. Fuse Connect is transitioning to a new advertising agency and an updated concept incorporating the Airport's feedback will be presented

thereafter. Chairman Burke noted he provided input as to the historical feel to certain sections of the concourse, including several archways.

Mr. Meier provided updates on upcoming projects. On June 11, 2024, the signage on the automobile course will be finished and installed, along with a ribbon-cutting ceremony. A grand opening will occur after the activation space is complete.

7.B Review of Quarter 3 and Quarter 4 2023 and Quarter 1 2024 Customer Comments

Mr. Meier reported that staff collected customer comments on October 1, 2023, and the format for presentation to the Committee had slightly changed from the last report. There were 241 comments from Quarter 3 of last fiscal year and 245 for Quarter 1 of the current fiscal year. Cleanliness was the most reported category overall, infrastructure needs in Quarter 3 and Quarter 4, and current Wi-Fi issues are the biggest concern. The City of Palm Springs is currently addressing Wi-Fi access issues. Chairman Burke stated the previous Wi-Fi update included proposed hotspot installation. Mr. Meier responded that he would confirm the status of the Wi-Fi project with the designated Airport staff.

Mr. Meier continued his report on food, amenities and infrastructure needs. The comments related to cleanliness appear to fluctuate depending on when a passenger visits the airport, with those visiting later in the day reporting a lack of cleanliness. Staff are evaluating the various comments and developing a baseline for effectively targeting response strategies. The data will be utilized to build out the Customer Experience Program. Detail was provided on the “Share Your Experience” survey program, which features questions based upon the type of travel experience (arriving, departing, rideshare, etc.). A chart was provided featuring data collected to date, which determined that food and retail ratings were down due to the closures. Mr. Meier stated the data will create a baseline for development of the Customer Experience Program. The Committee will be updated on a quarterly basis and the Airport Commission will receive an annual summary with detailed comments to Airport and Tenant Managers on a monthly basis. Staff will be working to ensure immediate needs or concerns are directed to the applicable entity for more timely response and resolution.

Committee Member Hughes suggested prioritizing resolution of restroom concerns and placement of signage to educate passengers on upcoming restroom upgrades. Mr. Meier confirmed a similar signage strategy was utilized for the concessions project and that a design meeting will be held in the next few weeks to develop a timeline. Chairman Burke stated a task force will be meeting in the upcoming weeks which includes invited members of the community. Mr. Meier confirmed that restroom cleanliness is one of the top determinants for favorable reviews of an airport.

7.C Customer Experience Program Update

Deputy Director of Aviation, Marketing & Air Service Meier provided an update on the Customer Experience Program, noting the working group assigned to develop this program involves Commissioner Feltman and Julie Sinclair from Visit Palm Springs. As a result of that meeting, it was determined that an RFP would be issued to hire KBSP Aviation as a consultant to assist in developing a fully realized Customer Experience Program. Their services will include research and discovery process, gathering information from airports of similar sizes, passenger amenities, accessibility programs, and other elements that could be considered for the Airport program. The resulting findings will be presented to the Committee and used to build a scope. An RFP will then be issued to hire a specific consultant to build out the final program. Chairman Burke affirmed Mr. Meier's report stating that initial review confirmed utilization of professional consultants to assist with program design would fare better for the Airport in the long run. He relayed his experience meeting several firms at various conferences.

7.D Air Service Incentive Discussion and Decision

Deputy Director of Aviation, Marketing & Air Service Meier provided an overview of the Air Service Incentive Program and requested a committee recommendation concerning forwarding the program to the full Airport Commission for their review. He presented information concerning the current program and the proposed elements for a new program. The program goals have not changed. However, updates to the FAA's air service guidelines have prompted the Airport to recommend amendments to the current program to remain in compliance. Additionally, the construction of the new Federal Inspection Station (FIS) or customs facility requires updates to the program, particular concerning international carriers.

Mr. Meier continued by noting various proposed amendments to the program. Chairman Burke requested clarification from staff concerning their request from the Committee on this matter. Mr. Meier responded that staff are looking for general input overall from the Committee, and not specific selection of an option. If the Committee likes the overall program, then staff requests a committee vote to recommend the program to the full Airport Commission. He also affirmed the original program was minimal, and staff is looking to target incentive offerings to maximize desired routes. Incentive offerings include items such as landing fee and gate waivers. Chairman Burke requested clarification on how incentive funds are paid. Mr. Meier responded by providing details on the two methods. One method is to place ads on behalf of the airline. The alternate method is to have the airline place ads directly, however they must provide necessary documentation required by the FAA for audit purposes, so the reimbursement funds are clearly not being used as a subsidy. Airlines typically prefer to handle advertising directly to receive a more advantageous price point and avoid issues with the Department of Transportation.

Mr. Meier continued his presentation by detailing the various options for targeting airports for seasonal offerings, particularly those for new services. Airport staff would also like to encourage carriers to consider transitioning from seasonal to year-round. Mr. Meier continued his presentation on options for less than daily service and stipulations for how many days per week “down” and how many weeks to qualify for year-round or seasonal or less. Stipulations concerning international airports in US, Canada, and Mexico was presented, and intercontinental in South America. Chairman Burke requested clarification concerning the 75,000 people daily target in the “less than daily” category. Mr. Meier responded the list was developed to target service to certain airports, however, the full 75,000 does not have to be achieved. Chairman Burke requested clarification on how this would help incentivize airlines. Mr. Meier confirmed and provided detailed that there are airlines that will just do less than daily service. Discussion ensued concerning related payments and incentive programs for less than daily service.

Mr. Meier continued his presentation by providing details on option four related to intercontinental service. The lack of FIS was expressed, and a caveat that it is not valid until the Airport has a custom facility available. However, this option has the most incentives. Staff has explored international offerings at various conferences, including related incentive programs. He listed the targeted airports which include Amsterdam, Bogota, Dublin, Frankfurt, London, Madrid, Panama City and Paris, all of which are major international hub connections. Stipulations and various types of service, including year-round service, were presented. Mr. Meier continued his presentation by providing detail on option five of the summer seasonal program as this is a goal of the Committee. Intra Airlines was discussed, noting the incentives provided when a new airline wants to establish in a new airport location. Related incentive items were presented, including terminal waivers and pro-rations. Mr. Meier stated he ran the numbers on several items and the amount of revenue received far outweighs the amount provided on incentives and waivers. It was paramount that communication to the Airport Commission be clear that this program is important to complete now to maintain competitiveness. It was also important to communicate to carriers the creative and unique features of the Airport. Chairman Burke stated he would not recommend borrowing. Mr. Meier stated having a nice menu of offerings would open the door to various carriers who can find a way to get started at the Airport, rather than focusing on one type of program which would only work for a large, well-known carriers. There could also be triggers where the Airport Director or City Council could amend, cancel, or sustain the program at their discretion. Various examples of triggers were presented, including financial callbacks for unused incentives.

ACTION: Refer the proposed Air Service Incentive Program to the full Commission for review. **Moved by Committee Member Wise, seconded by Committee Member Hughes and unanimously approved noting the absence of Committee Members Fong, Suero, and Wiseman.**

8. COMMITTEE MEMBER REPORTS AND REQUESTS:

None.

9. ADJOURNMENT:

The Airport Marketing and Business Development Committee Meeting adjourned at 2:58 p.m.