



AIRPORT COMMISSION

**MINUTES OF THE SPECIAL MEETING OF THE AIRPORT COMMISSION OF
THE PALM SPRINGS INTERNATIONAL AIRPORT**

Wednesday, July 10, 2024 – 5:30 P.M.

1. CALL TO ORDER:

Vice Chairman Corcoran called the Airport Commission meeting to order at 5:32 P.M. The meeting was held in-person and via videoconference.

Commissioner McDermott led the Pledge of Allegiance.

2. POSTING OF AGENDA: Posted on July 3, 2024.

3. ROLL CALL:

Commissioners Present:

Dave Banks (Palm Springs)	Ken Hedrick (Palm Springs)
Robert Berriman (Indian Wells)	Geoffrey Kiehl (La Quinta)
Todd Burke (Palm Springs)	Tracy Martin (Palm Springs)
Daniel Caldwell (Palm Springs)	Samantha McDermott (Palm Springs)
Kevin Corcoran (Palm Springs) - Vice Chair	Jan Pye (Desert Hot Springs)
Brian Ebensteiner (Palm Springs)	Rick Wise (Indio)
David Feltman (Palm Springs)	Kevin Wiseman (Palm Desert)
J Craig Fong (Palm Springs)	Keith Young (Rancho Mirage)

Commissioners Absent: Denise Delgado (Coachella), Margaret Park (Riverside County)

Staff Present:

Scott Stiles, City Manager
 Brenda Pree, City Clerk
 Kristopher Mooney, Finance Director
 Jeremy Keating, Assistant Airport Director
 Daniel Meier, Deputy Director of Aviation, Marketing and Air Service
 Victoria Carpenter, Airport Administration Manager
 Jeremy Holm, City Attorney
 Christina Brown, Executive Program Administrator
 Tanya Perez, Administrative Specialist
 Andrew LeCompte, Executive Administrative Assistant

Others Present:

Ryan Evers, AECOM
Ryan Hayes, Mead & Hunt, Inc.
Ethan Dunkle, Turo
Fred Bell, Palm Springs Air Museum
Trevor Daley, Daley Strategies
Mark Waier, Daley Strategies

4. NOMINATION AND ELECTION OF OFFICERS:

City Clerk Pree conducted the proceedings for the nomination and election of Officers and called for nominations for the office of Chairman.

Commissioner Wiseman nominated Commissioner Corcoran to serve as Chairman.

Commissioner Corcoran was named Chairman by acclamation.

City Clerk Pree called for nominations for the office of Vice Chairman.

Commissioner McDermott nominated Commissioner Burke to serve as Vice Chairman.

Commissioner Burke was named Vice Chairman by acclamation.

5. ACCEPTANCE OF AGENDA:

ACTION: Accept the Agenda as presented. **Moved by Commissioner Wise, seconded by Vice Chairman Burke, and unanimously approved noting the absence of Commissioners Delgado and Park.**

6. PUBLIC COMMENTS:

None.

7. APPROVAL OF MINUTES:

ACTION: Approve the minutes of the Airport Commission Meeting of February 21, 2024. **Moved by Commissioner Wise, seconded by Commissioner Pye, and approved by the following roll call vote: 15 Yes; 1 Abstain noting the absence of Commissioners Delgado and Park.**

8. INTRODUCTIONS AND PRESENTATIONS:

- 8.A Commissioner Bryan Ebensteiner
- 8.B Commissioner Ken Hedrick
- 8.C Commissioner Samantha McDermott
- 8.D Commissioner Christian Samlaska

- 8.E Commissioner Geoffrey Kiehl
- 8.F Executive Administrative Assistant Andrew LeCompte

New Commissioners McDermott, Kiehl, Ebensteiner, and Hedrick introduced themselves and provided brief summaries of their background and experience.

- 8.F Executive Administrative Assistant Andrew LeCompte

Chairman Corcoran welcomed new Executive Administrative Assistant LeCompte, who provided a brief summary of his background and experience.

9. DISCUSSION AND ACTION ITEMS:

- 9.A Palm Springs Air Museum Lease Extension

Airport Administration Manager Carpenter provided a summary of the request for action to recommend to the City Council the approval of a 10-year lease extension and a Consumer Price Index (CPI) increase for the fees with the Palm Springs Air Museum at the Airport. Ms. Carpenter provided historical background information on the Museum, the lease agreement, and various negotiated improvements and amendments to the lease.

Fred Bell, Vice Chairman of the Palm Springs Air Museum (Museum), provided a brief historical background of the Museum, including the original Environmental Impact Report (EIR) information. The upcoming Airport Master Plan will contemplate two additional hangers.

Commissioner Martin requested clarification concerning the existing lease and whether related revenues generated for the City from lease were based on market rates. Ms. Carpenter confirmed that the lease is a land lease, and the Museum is responsible for facility construction. She also confirmed a CPI increase was to have been applied every five years for the length of the agreement, however, that had not been implemented since 1995. Staff are applying a CPI increase now and every five years thereafter.

Commissioner Ebensteiner requested clarification concerning the reason for the financial variance, as even with the proposed CPI increase, the projected revenue for FY 2024-25 is lower than in previous years. Ms. Carpenter responded that she would follow up on that inquiry and provide a response to the Commission. Commissioner Feltman requested clarification on the economic benefit the Museum provides to the City at large. Mr. Bell responded the Museum generates approximately \$35 million in benefits to the City. Commissioner Wiseman also provided support for the subject proposal, as the Museum also provides a significant benefit to local families as an alternative activity during the summer months.

ACTION: Recommend to the City Council the approval of the lease extension and a CPI increase with the Palm Springs Air Museum. **Moved by Commissioner Wise, seconded by Commissioner Berriman, and approved by the following roll call vote: 15 Yes; 1 No**

9.B Amendment No. 2 to Agreement No. A9391 with Mead & Hunt Inc.

Assistant Airport Director Keating introduced the item which recommends approval of the amendment to the agreement with Mead & Hunt to extend the schedule for professional consulting services for the Palm Springs International Airport (Airport) Comprehensive Airport Master Plan.

Ryan Hayes, representing the City's consultant firm Mead & Hunt, provided a summary of the original Master Plan project and the proposed expanded scope of work that was requested because of feedback on the Master Plan work completed to date. The City Council requested additional analysis of two rental car facility locations, citing concerns about the visual aesthetic of a multi-story rental car parking deck and traffic impacts of rental car activity in and out of the facility and in the adjacent intersections and areas. The expanded work will include development and analysis of on-site Consolidated Rental Car (CONRAC) alternatives, 3D renderings & viewshed renderings. A traffic analysis of the CONRAC, Agency coordination, weekly Airport staff meetings, legislative relations, and communications. As well as stakeholder meeting for Airport tenants and community relations support, public open house meetings, a project microsite, collateral educational and presentation materials.

Chairman Corcoran suggested revisiting the proposal to bury walking tunnels from parking to baggage claim and other related ideas.

Commissioner Feltman requested clarification of the specific parking impacts the study would contemplate. Mr. Hayes responded they will define each of the lots, the purpose of each lot in the future, the potential to acquire additional property, quantifying the parking demand and parking that can be accommodated in each of the two proposed layouts.

Chairman Corcoran confirmed the traffic study is also part of the process.

Commissioner Berriman confirmed the proposal for going south and east to Douglas would still be addressed as part of the expanded scope of the study.

Commissioner Young requested confirmation that when the plans are returned to the Commission for review it includes information concerning planning activity level (PAL) three versus PAL four. Mr. Hayes confirmed the information would be included.

Commissioner Berriman requested confirmation concerning the purchase of certain lots. Ms. Carpenter responded that the City owns a parcel of Lot B and that Lot E would be proposed for purchase.

Chairman Corcoran opened public comments.

Maryann Dorniak, resident, expressed concern regarding pedestrian safety on the roads adjacent to the Airport, including Airport employees.

ACTION: Recommend to the City Council the approval of Amendment No. 2 with Mead & Hunt. **Moved by Commissioner McDermott, seconded by Commissioner Wiseman, and unanimously approved noting the absence of Commissioners Delgado and Park.**

Chairman Corcoran inquired as to the next steps in the process. Mr. Hayes stated most of the work will be conducted in August and they will return to the Commission with an update in September. There will be no further ad hoc committee meetings, as the work will be reviewed at the Commission level from this point forward.

9.C Public Relations & Legislative Plan for Airport Master Plan

City Manager Stiles introduced the item, noting his recommendation that the Airport Master Plan process warrants a significant investment to ensure effective and coordinated communication, education, and public input opportunities for all stakeholders in the Coachella Valley. He introduced Trevor Daley, representing Daley Strategies, who is the consultant for the public relations and legislation plan.

Mr. Daley provided a summary of his professional experience, which included past work at Los Angeles International Airport and with elected legislators.

Commissioner Pye stated that the Airport Master Plan is an important topic for stakeholders in her jurisdiction, as the Airport is a significant asset to the local tourism economy.

9.D Taxiway Rehabilitation Project

Assistant Airport Director Keating provided a summary of the project, noting that the contract award to Match Corporation to rehabilitate the taxiway was approved at the previous evening's City Council meeting. The rehabilitation was recommended because of the Airfield Pavement Condition Index. The project costs will be offset by a Federal Aviation Administration (FAA) grant and project work is contemplated to start in August with a five-to-six-month completion schedule.

9.E Outbound Baggage Handling System Update

Ryan Evers, AECOM representative, provided a brief update on the Outbound Baggage Handling System project, currently redesigned to align with the Airport Master Plan to ensure a holistic solution. He summarized the current design milestones, including those for TSA approvals and submission of stakeholders. He summarized the ongoing

coordination taking place with the Master Plan consultant, the Gensler architects, and with the City of Palm Springs.

In response to an inquiry from Commissioner Wiseman, Mr. Evers stated he would provide follow up data concerning the length of time the temporary facility would be needed; however, he did estimate it would likely be approximately nine months.

Chairman Corcoran inquired whether any work had been done to try and recoup the costs from the previous baggage claim system which did not work. City Attorney Holm responded that the matter had been presented to the City Council, however he would have to research and follow up with the Commission as to the final result.

In response to an inquiry from Commissioner Feltman, Mr. Evers confirmed this work does not interfere with parking and is all on the Airside, however, there may be brief impact to the executive parking location during a phase of the installation.

9.F Marketing and Air Service Update

There were no questions related to the information presented in the agenda packet.

9.G Measure J Update

Director of Finance Mooney provided a brief update on Measure J, noting that he is also the City staff liaison to the Measure J Commission. He reported that the FAA issued a ruling that if the City collects sales tax on aviation fuel, the collected money must be set aside for Airport projects or operations. He provided historical information, noting that the City has been collecting \$200,000 annually and setting it aside since 2017. He conducted additional research due to recent increases in sales tax revenue, and discovered additional funds had been collected and set aside. The current plan is to collect approximately \$500,000 per year until sales tax revenues begin to decrease. An audit of the collected funds will be conducted, and more accurate information will be presented to the Commission as to the total amount available in the restricted fund for Airport projects and operations.

Chairman Corcoran stated that the Commission had previously conducted a prioritization exercise as related to various Airport projects and suggested a process that could result in enhancements that would make a difference to Airport customers. He suggested the Commissioners begin thinking about projects or operational enhancements for discussion at a future meeting, once the final numbers are provided by the City.

Mr. Mooney noted the Airport Commission can jointly recommend projects with the Measure J Commission to the City Council for their consideration, but the City Council is the only body which can act to approve projects or allocate funding.

9.H Parking Rate Analysis

This item was considered after Item 9.I.

Airport Administration Manager Carpenter reported that because of the Commission's concerns about the impact of increasing the daily parking rate, the City contracted with Frasca & Associates, LLC to complete a review of the parking rate structure at the Airport. Ms. Carpenter provided an overview of the results presented in the agenda report, noting that the economy parking lot was not evaluated, nor will its rate be changed. The study only focused on Lots A through D. The analysis included review of rates at seven other airports and noted that the daily rate has not been changed since 2018. Ms. Carpenter reported the potential increased revenues could assist in offsetting costs related to future parking lot improvements.

Ms. Carpenter continued her report noting that the analysis results recommended increasing the rates to \$24 as the proposal to the City Council for their consideration. She noted the legal posting requirements as related to fee increase consideration at public meetings and also recommended that an analysis be conducted every two years.

Commissioner Wiseman suggested that the Commission also consider seasonal rates. Discussion ensued on the rate structure, including the importance of signage directing customers to various parking lots, conducting a study every two years, and rounding up the CPI increase amount.

Discussion ensued concerning the proposed increase to \$24. Ms. Carpenter confirmed the consultant had originally stated an increase to \$26 was justified based upon their analysis.

Commissioner Wiseman stated the parking lots are a finite resource and should be priced according to the market to ensure the best and efficient use of the resource.

In response to an inquiry from Commissioner McDermott, Ms. Carpenter responded that the consultant took all factors into consideration and that \$26 was the better rate. Commissioner and staff discussion ensued concerning the benefits of recommending two different rates for City Council consideration.

Commissioner Feltman proposed a motion to establish the \$26 daily rate across the board and when new technology is established, the Commission can take a look at congestion pricing or distance-based pricing.

Commissioner Feltman left the meeting at approximately 7:58 p.m.

ACTION: Recommend to the City Council the approval of the recommended parking rate (\$26). **Moved by Commissioner Hedrick, seconded by Commissioner Wise, and unanimously approved noting the absence of Commissioners Delgado, Feltman, and Park.**

9.1 Turo Update

Airport Administration Manager Carpenter requested this item be considered earlier in the meeting and it was considered after Item 9.G. She noted that the Commission had recommended to the City Council that they approve an agreement with TURO in December 2023. Ethan Dunkle, representing Turo, provided an update as to the status of the project.

Ethan Dunkle, representing Turo, provided a summary of the service, which is the world's largest car sharing marketplace, similar to AirBnB, but for vehicles. He provided a summary of the one-year pilot program, including the negotiated fees with the Airport, currently established as 10% of all gross booking revenue and full cost for any use of the parking facilities. He provided trips, booking dates, and vehicles requested data and total revenue paid to the City of Palm Springs, estimated at approximately \$600,000 in calendar year 2024. Commissioners expressed their support for the success of the program and the various opportunities to enhance passenger experience.

Commissioner Martin requested clarification as to the economic benefits to the City with Turo as compared to traditional rental car options. Mr. Dunkle noted Turo pays 10% of its gross revenue earned at the Airport to the City, along with the full cost of any Airport parking facilities utilized. The traditional rental car agencies have a different cost model with the City, which includes leasing space, and it is not an "apples to apples" comparison. However, he believed that rental car agencies are paying approximately 15% to the City, and that Turo may be paying more overall.

Ms. Carpenter noted the pilot project with Turo was intended to provide rental vehicle options to Airport customers and not disincentivizing rental car agencies. The fee structures are different, but the 10% is the same for Turo and for rental car companies.

Commissioner Martin requested a report at the end of the one-year pilot program to compare the difference of what the City is receiving from Turo and the rental car agencies.

In response to an inquiry from Commissioner Caldwell, Mr. Dunkle explained how the Turo app determines whether the customer request is within the Airport.

Commissioner Young suggested taking services like Turo into consideration when determining long-term plans for parking needs, particularly as it relates to competing services such as rental car companies.

In response to inquiries from Commissioner Ebensteiner, Mr. Dunkle provided detail as to Turo's permit agreement with various Airports and Turo's ongoing campaign to permit every airport in the United States. He also noted that Turo self-reports their Airport-related bookings and revenues to the City and they are working to verify the accuracy of the reported information. Turo provides a monthly report to the City of every Airport transaction which includes license plate number, owner IDs, time of booking, time out, and every piece of data currently collected.

9.J Financial Summary Update

There were no questions related to the information presented in the agenda packet.

9.K Noise Committee Update

Chairman Corcoran noted there were only two military jet noise complaints and nothing of significance. The Enterprise car washing noise issue appears to be resolved.

9.L Concessions Update

There were no general questions related to the information presented in the agenda packet.

In response to an inquiry from Chair Corcoran, Assistant Airport Director Keating responded that the design and permitting process as related to the Movie Colony Canteen will take some time and is now scheduled in March 2025.

Chairman Corcoran expressed support and excitement for the scheduled opening of Cactus to Clouds in August. He suggested a quick walk through the concession after the September meeting.

9.M Smoking Ordinance Update

City Attorney Holm reported on the development of an ordinance controlling smoking at the Airport, which was presented to the Commission earlier this year. It is proposed that smoking will only be allowed in specifically designated areas for staff and for the public. The ordinance will include language that allows for the change of designated smoking areas without having to update the ordinance each time. The ordinance will be presented to the City Council at the next available meeting date after publication deadlines are met.

9.N Projects and Airport Capital Improvement Program Update

Airport Executive Director Barrett will present this item at the September meeting.

10. EXECUTIVE DIRECTOR REPORT:

Airport Executive Director Barrett will present this item at the September meeting.

11. COMMISSIONERS REQUESTS AND REPORTS:

Chair Corcoran requested an update concerning the contract between the Arts Commission and the Art Museum. He also requested scheduling an item concerning temporary art installations at the Airport.

Airport Administration Manager Carpenter announced staff will send a “save the date” for the Strategic Business Plan Strategy Session, Master Plan Workshop, and Project Review which will be held on Thursday, September 12, 2024, from 9:00 a.m. to 5:00 p.m.

12. REPORT OF COUNCIL ACTIONS:

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

13. RECEIVE AND FILE:

It was reported that due to this meeting being moved up a week, the regular airline activity report will be presented at the September meeting and will include the activity for June, July, and August.

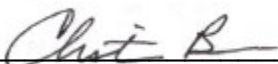
14. COMMITTEES:

- 14.A Future Committee Meetings
- 14.B Committee’s Roster

Chairman Corcoran requested the Commissioners review the roster and provide their top two or three preferences to Ms. Brown as soon as possible. The Chairman and Vice Chairman will review the requests and provide their assignment recommendations at a future Commission meeting.

ADJOURNMENT:

The Airport Commission adjourned at 8:12 P.M. to a Regular Meeting on September 18, 2024, at 5:30 P.M.



Christina Brown
Executive Program Administrator

APPROVED BY AIRPORT COMMISSION 11/20/2024