



AIRPORT COMMISSION

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

Thursday, September 12, 2024 – 9:00 A.M.

1. CALL TO ORDER:

Chairman Corcoran called the Airport Commission Special meeting to order at 9:05 a.m. The meeting was held in person and via videoconference.

2. POSTING OF AGENDA: Posted September 5, 2024

3. ROLL CALL:

Commissioner's Present:

Daniel Caldwell (Palm Springs)	Tracy Martin (Palm Springs)
Kevin Corcoran (Palm Springs) - Chairman	Samantha McDermott (Palm Springs)
Brian Ebensteiner (Palm Springs)	Christian Samlaska (Cathedral City)
Ken Hedrick (Palm Springs)	Kevin Wiseman (Palm Desert)
Geoffrey Kiehl (La Quinta)	Keith Young (Rancho Mirage)

Commissioners Absent: Dave Banks (Palm Springs), Robert Berriman (Indian Wells), Todd Burke (Palm Springs), Denise Delgado (Coachella), David Feltman (Palm Springs) Margaret Park (Riverside County), Jan Pye (Desert Hot Springs), Rick Wise (Indio) and J. Craig Fong (Palm Springs)

Staff Present:

Harry Barrett, Jr. Executive Director of Aviation
Jeremy Keating, Assistant Airport Director
Daniel Meier, Deputy Director of Aviation, Marketing and Air Service
Victoria Carpenter, Airport Administration Manager
Ramon Sanchez, Airport Operations Manager
Oscar Verdugo, City Attorney
Christina Brown, Executive Program Administrator
Andrew LeCompte, Executive Administrative Assistant

Others Present:

Ryan Hayes, Mead & Hunt, Inc.
Brian Carranza, Mead & Hunt, Inc.
Stephanie Nikho, Mead & Hunt, Inc.
Debby Chen, Daley Strategies
Mark Waier, Daley Strategies

Paul Clark, InterVistas
Samuel Alexander, InterVistas
Josh Cohn, InterVistas
Steve Domino, InterVistas
Steven Deregowski, InterVistas

4. **ACCEPTANCE OF AGENDA:**

ACTION: Accept the Agenda as presented. **Moved by Commissioner Caldwell, seconded by Commissioner Hedrick, and unanimously approved noting the absence of Vice Chairman Burke, Commissioners Banks, Berriman, Delgado, Feltman, Park, Pye, Wise and Fong**

5. **PUBLIC COMMENTS:** None

6. **DISCUSSION AND ACTION ITEMS:**

6.A Strategic Plan Workshop

Executive Director of Aviation Barrett provided opening comments and thanked all in attendance for dedicating their time to the special meeting. Mr. Barrett provided the history of the Airport's lack of direction and structure prior to him assuming his role, and his outlook and expectations for the Airport now and in the future. Mr. Barrett stated that the reason behind the meeting was to create an outline for the Strategic Plan for the Airport over the next few years. Chairman Corcoran welcomed the new Commissioners and explained their role in this meeting.

Paul Clark, representative for InterVistas, provided a summary of his background. Mr. Clark explained the importance of creating a Strategic Plan and the role of the Airport staff and Airport Commissioners. Mr. Clark laid out the timeline for completing the 5-Year Strategic Plan, and he noted that the City would need to approve the Strategic Plan. Mr. Clark noted that he would also be asking for input from the Airport Commission on finalizing the new Vision, Mission and Values Statements for the Airport.

Mr. Clark provided an overview of the six areas of the Strategic Plan: 1) Hierarchy of Organization Management Planning; 2) Framework Elements for the Airport 2025-2029 Strategic Plan; 3) Process on Strategic Plan Development for the Airport; 4) Structure of the Airport 2025-2029 Strategic Plan; 5) Stakeholder Engagement on the Airport Strategic Plan; and 6) Airport 2025-2029 Strategic Plan: Program Roadmap. Mr. Clark noted that they were in Phase 3 of 4 of the Program Roadmap.

Mr. Clark reviewed the new Vision, Mission and Values Statements for the Airport, and he emphasized the importance of the input from the Airport Commission. Commissioner Wiseman suggested that the word exceptionalism used in the proposed Values Statement be reconsidered due to the possible negative connotation currently associated with the word, more specifically the potential negative political negative connotation. Mr. Barrett agreed

that these points needed to be considered before finalizing the Values Statement.

Commissioner McDermott asked if the new Vision, Mission and Values Statements had been shared with the Airport employees and tenants. Mr. Clark stated that a staff survey was sent out to Airport employees encouraging them to share their input on the values of the Airport. Mr. Clark also noted that the new Vision, Mission and Values Statements had been finalized and shared for the first time and that input from employees and possibly tenants would come later. Commissioner McDermott also noted that she disagreed with Commissioner Wiseman's concerns regarding the word exceptionalism and that she would concede to the use of exceptional in its place which may be a better option. Commissioner Hedrick stated that he agreed with Commissioner Wiseman's concern regarding the word exceptionalism, and he offered the alternative of the word leader in its place.

Commissioner Samlaska commented that the terms safety and security should be included in any Mission Statement. Commissioner Pye offered her support for the use of the word exceptionalism. Commissioner Martin challenged Mr. Clark and his team to consider having the new Vision, Mission and Values Statements encompass Airport staff and the tenants and their staff. Commissioner Kiehl emphasized the importance of employee and customer safety being included in the new Vision, Mission and Values Statements. Chairman Corcoran stated that the Airport should strive to model itself after Singapore Changi Airport and its emphasis on customer experience and service. Chairman Corcoran stated that the new Vision, Mission and Values Statements should have more emphasis on customer experience and service.

Mr. Clark reviewed the 5-Year Strategic Priorities. Commissioner Wiseman commented that sustainability should include the word growth. Mr. Clark said that sustainability is used as a broader term to encompass more than growth and other areas of importance that need to be sustainable. Commissioner McDermott agreed with Commissioner Wiseman that growth is an important component, and she also noted that growth can be an embedded aspect of many of the Strategic Priorities. Mr. Clark said that growth would be highlighted when applicable and in the definition of the Strategic Priorities. Commissioner Pye commented that the definitions of the Strategic Priorities need to be future focused as a current definition may have different meaning in the future. Mr. Clark commented that the definitions will always be evolving.

Mr. Clark noted that there was a 3-month plan on immediate and longer-term initiatives and milestones with expected completion in December 2024. Mr. Barrett thanked the Airport Commission for their input and stated that there would be continued internal discussions, the Commissioner's suggestions would be considered, and once the internal discussions were completed and the Strategic Plan is finalized, those findings would be shared with the Airport Commission.

6.B Master Plan Workshop

Ryan Hayes, Brian Carranza & Stephanie Nikho, representatives of Mead & Hunt Inc., introduced themselves and provided some background regarding their roles with the Master Plan. Mr. Hayes reviewed some of the history regarding proposals that were previously shared with the City Council and their support of the Master Plan with exceptions of concerns surrounding the Rental Car Center (RCC), primarily traffic impacts and the aesthetics of adding a multi-level complex to the front of a historical building. Mr. Hayes stated that the purpose of the presentation was to present the North and South alternatives to the Commission and for the Commission to decide on which alternative to recommend to the City Council with a traffic and visual impact analysis.

Mr. Carranza presented concept drawings of South Side Alternative 1 (SSA 1), South Side Alternative 2 (SSA 2), South Side Alternative 3 (SSA 3), North Side Alternative 1 (NSA 1), and North Side Alternative 2 (NSA 2) for the RCC. Chairman Corcoran asked for clarity on NSA 1 and how many levels would be underground. Mr. Hayes stated that two levels of NSA 1 would be underground with three levels above ground. Commissioner McDermott asked if the NSA 1 with its underground component has been vetted for earthquake safety. Chairman Corcoran reiterated the importance of earthquake safety. Mr. Hayes responded that it had not been discussed at this time.

Chairman Corcoran shared that NSA 1 had historically been the preferred option and that the concerns the City Council has had with NSA 1 and the concessions that have been made to address those concerns. Commissioner Martin stated his concerns with the South Side options taking away surface parking options for passengers. Mr. Carranza and Mr. Hayes addressed this concern by showing that additional surface parking and roadways would be added to the north end of the property if a South Side Alternative was chosen.

Commissioner Hedrick addressed the concerns regarding transportation from surface parking lots that are not in front of the terminal and are a great distance away from the terminal. Executive Director of Aviation Barrett addressed Commissioner Hedrick's concerns by stating that three electric shuttle buses were being purchased to provide transportation from the surface lots. Commissioner Hedrick expressed further concerns regarding shuttle buses, and he suggested an underground pathway for passengers and additional covered parking alternatives. Mr. Hayes mentioned that the City Council made it clear that no structures could be erected in front of the terminal and any additional parking structures would have to be placed on the south side of the property and would necessitate shuttle buses. Mr. Carranza reiterated this and reviewed benefits and constraints.

Commissioner Ebensteiner asked if there were any revenue differences between the alternatives, specifically related to parking and rental car revenue and what the traffic impacts were for the alternatives. Mr. Hayes stated that once the Commission selects a preferred North and South Alternative, the traffic analysis would be completed for each alternative. Commissioner McDermott asked the Airport leadership if they had a preferred alternative. Mr. Barrett stated that the

preferred alternative was NSA 1. Chairman Corcoran asked for a review of the pros and cons of the South Alternatives (SSA). Mr. Carranza reviewed the pros and cons for each SSA.

Chairman Corcoran asked what the potential cost would be if the Airport were to acquire land for SSA 2. Mr. Barrett stated the land was last acquired for between \$8 to 9 million and the estimated cost to purchase the land would be around that or slightly higher. Chairman Corcoran asked Mr. Hayes and Mr. Carranza for their preferred SSA. Mr. Hayes stated that their preference was SSA 2. Chairman Corcoran asked that Commission to think towards the future as the need for surface parking could change in the next 10 to 15 years, as the transportation preference could shift towards ride sharing and automated taxis.

Commissioner Caldwell asked if the RCC could be a four-level structure instead of five. Mr. Hayes said that it was possible. Commissioner Wiseman asked if there was any sense if there would be any differences in traffic impacts for the different SSA's. Mr. Carranza stated that the sense was that traffic impacts for all the SSA's would be comparable to one another. Commissioner Kiehl stated that when the alternatives are presented to the City Council, the alternatives should be presented in a simplified and precise manner to reduce push back from the City Council.

Commissioner Hedrick asked if the RCC would be self-funded or if there would be a reliance on City funding. Mr. Barrett stated that an analysis is being conducted regarding how the RCC will be funded. Chairman Corcoran stated that more information regarding the findings of the funding analysis will be presented at an upcoming Airport Commission meeting. Chairman Corcoran stated a final recommendation will be made on the SSA at the next Airport Commission meeting.

6.C CIP Programming Workshop

Josh Cohn, representative for InterVistas, presented the Airport's primary project goals for the next 5 years and the 5-Year Capital Improvement Program and Plan. Steven Deregowski, representative for InterVistas, reviewed the Guiding Principles for the Capital Improvement Program and Plan which included the following six Capital Improvement Program Categories: 1) Airfield Infrastructure; 2) Landside Infrastructure; 3) Airport Fleet Vehicles; 4) Terminal; 5) Airport Facilities; and Planning, Environmental & Contingency. Mr. Deregowski explained what each of the categories were aiming to accomplish over the next 5 years and the projected costs.

Commissioner Hedrick asked for an explanation on what exactly the CoGen Utilities Improvement/Central Utility Plant (CoGen) is. Executive Director of Aviation Barrett stated that the Airport currently shares the CoGen with the City and that the goal was to build a CoGen exclusively for the Airport to improve efficiency for the Airport and cut the reliance on the Cities CoGen. Commissioner Hedrick asked what type of energy the Airport CoGen would use. Mr. Barrett stated that it was still in the developmental stage and that it had not been determined. Commissioner Martin asked for details on the Airport Drainage Master Plan. Mr. Barrett stated that there currently wasn't any detail available for the Airport

Drainage Master Plan.

Mr. Deregowski defined the Implementable Program Schedule, and he reviewed the Project Lifecycle. Commissioner Hedrick inquired if there were any external reviews required for any of the projects. Mr. Barrett stated that depending on what the project is and if there is Federal Aviation Administration (FAA) funding involved, it could require multiple external reviews from State and Federal agencies.

Commission Ebensteiner asked how the projects were being funded; General Fund or Grants and how they were being ranked by need. Airport Administration Manager Carpenter clarified that the Airport does not use City General Funds and that the Airport generates its own revenue and therefore is considered an Enterprise Fund. Ms. Carpenter said that the funding for projects is dependent on the type of project and that some projects will be dependent on Federal funding. The FAA in some cases will cover 90% of the project funding and the Airport would be responsible for the remaining 10%. Ms. Carpenter explained that the Airport submits annually an Airport Capital Improvement Program (ACIP) to the FAA to secure funding for projects. Mr. Barrett noted that projects must also be vetted and approved by the Airport's signatory airlines.

Mr. Deregowski reviewed the key dates of the Airport Improvement Program (AIP), and he shared the Detailed Program Schedule Snapshot which included each project and their individual timeline. Mr. Deregowski highlighted Select Project Schedules and their timelines. Commissioner McDermott called out the need for the Airport to hire additional staff to meet the needs of the projects, and she inquired about the status of staffing. Mr. Barrett stated that with the completion of the Master Plan schedule, staff can now determine where the staffing gaps are and the Airport can begin staffing up, and he said that staff was also looking at potential supplemental staff augmentation for operational readiness and that there would be one team responsible for capital projects and another team responsible for the day-to-day operations at the Airport.

Mr. Deregowski reviewed the Schedule and Defining Actions. Mr. Cohn mentioned that the schedule is a living document, it is constantly updated, and it is never static as they meet with Airport staff weekly to review and update the needs of each of the projects. Mr. Deregowski reviewed an example of the Project One-Pager and a step-by-step analysis of how to read the documents. Mr. Deregowski mentioned that the Project One-Pagers are also living documents and constantly updated. Chairman Corcoran asked for comments and questions.

Commissioner Wiseman complimented the InterVistas team on how impressive and organized the One-Pager document was. Chairman Corcoran asked what the biggest risk factors were for the projects. Mr. Cohn commented that besides funding, it would be staff resources to execute all the projects. Commissioner Hedrick inquired if City Council needs to approve each project and if there were any foreseeable issues with getting any of the projects approved by the City Council. Mr. Barrett stated that it was a hybrid process, and that the City Council approves some projects during the budget approval process, while other projects, depending on their size, need to be individually approved by the City Council. Mr.

Barrett stated that none of the projects were controversial and that he didn't foresee any issues with getting the projects approved by the City Council.

Chairman Corcoran commented on the challenges related to staffing and finding individuals with the background and expertise to fill the staffing needs for the projects and that there were ongoing meetings with Human Resources, the City Manager and Mr. Barrett to figure out how to fill the vacant positions to fulfil the needs for the all the projects. Commissioner McDermont asked for some clarity regarding where the Airport stands with other similar sized regional airports and their staffing challenges in comparison to the Airport. Mr. Barrett stated that the two biggest challenges for the Airport is pay and skillset. Mr. Cohn stated that this is an issue as well with other airports he works with across the country with one of the major factors being that airports can't compete with private businesses and what they are able to offer in salaries.

Chairman Corcoran reiterated all the challenges with hiring staff for projects and that they will continue to work with Human Resources to find solutions to the hiring challenges. Chairman Corcoran asked the InterVistas team if the hiring challenges could be part of their scope of work. Mr. Cohn stated it is not a part of their current contractual work with the Airport. Mr. Clark stated in his experience, this is the case as well. Chairman Corcoran asked if the hiring challenges warranted its own official plan. Mr. Clark commented this would be a good idea. Mr. Barrett agreed this would be a good idea as well.

Commissioner Martin asked if there would be any throw away projects once the Master Plan starts being implemented. Mr. Deregowski stated that the projects would all remain and have a life cycle that includes the Master Plan.

7. COMMISSIONERS REQUESTS AND REPORTS: None

ADJOURNMENT:

The Airport Commission adjourned at 2:09 P.M. to a Regular Meeting on September 18, 2024, at 5:30 P.M.



Andrew LeCompte
Executive Administrative
Assistant