



**AIRPORT COMMISSION**

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

**Wednesday, June 18, 2025 – 4:00 P.M.**

**1. CALL TO ORDER:**

Chairman Corcoran called the Airport Commission meeting to order at 4:00 P.M. The meeting was held in-person and via videoconference.

Chairman Corcoran asked Commissioner Samlaska to lead the Pledge of Allegiance.

**2. POSTING OF AGENDA:** Agenda posted on June 12, 2025.

**3. ROLL CALL:**

**Commissioner’s Present:**

Dave Banks (Palm Springs)	Geoffrey Kiehl (La Quinta)
Robert Berriman (Indian Wells)	Tracy Martin (Palm Springs)
Todd Burke (Palm Springs) Vice Chairman	Samantha McDermott (Palm Springs)
Daniel Caldwell (Palm Springs)	Margaret Park (Riverside County)
Kevin Corcoran (Palm Springs) - Chairman	Christian Samlaska (Cathedral City)
David Feltman (Palm Springs)	Dirk Voss (Desert Hot Springs)
J Craig Fong (Palm Springs)	Rick Wise (Indio)
Ken Hedrick (Palm Springs)	

**Commissioners Absent:** Denise Delgado (Coachella), Bryan Ebensteiner (Palm Springs), Kevin Wiseman (Palm Desert), Keith Young (Rancho Mirage)

**Staff Present:**

Scott C. Stiles, City Manager  
 Harry Barrett, Jr., Executive Director of Aviation  
 Jeremy Keating, Assistant Airport Director  
 Victoria Carpenter, Assistant Airport Director  
 Daniel Meier, Deputy Director of Aviation, Marketing and Air Service  
 Harman Singh, Project Manager  
 Nikki Gomez, Airport Planner  
 Lowell Valencia-Miller, Executive Program Administrator  
 Christina Brown, Executive Program Administrator

Jake Ingrassia, Marketing and Communications Specialist  
Tanya Perez, Interim Executive Administrative Assistant  
Kristopher Mooney, Director of Finance & Treasurer  
Jeremy Holm, City Attorney

**Others Present:**

Joel Ericson, RS&H California, Inc.  
Byron Chavez, RS&H California, Inc.  
Geoffrey Chevlin, RS&H California, Inc.  
Jeff Sena, Van Deusen & Associates (VDA, Inc.)  
Misty Munoz, Van Deusen & Associates (VDA, Inc.)  
Steven Menefee, Paradies Lagardere

**4. ACCEPTANCE OF AGENDA:**

MOTION BY COMMISSIONER VOSS, SECOND BY COMMISSIONER HEDRICK, CARRIED UNANIMOUSLY, to approve the agenda as presented.

**5. PUBLIC COMMENTS: None.**

**6. APPROVAL OF MINUTES:**

Minutes of the Airport Commission Regular Meeting of March 19, 2025 and April 23, 2025.

MOTION BY COMMISSIONER HEDRICK, SECOND BY COMMISSIONER MCDERMOTT, CARRIED UNANIMOUSLY, to approve the minutes of March 19, 2025.

Interim Executive Administrative Assistant Perez advised that the April 23, 2025 minutes were pulled from the Airport Commission Agenda Packet as staff needed additional time to complete those and noted those would be provided at the July 16, 2025 Airport Commission meeting.

**7. INTRODUCTIONS AND PRESENTATIONS:**

**7.A Commissioner David Feltman – Farewell**

Chairman Corcoran expressed his gratitude to Commissioner Feltman and shared that Commissioner Feltman had served effectively on the Airport Commission since July 1, 2019. He noted that Commissioner Feltman had represented the City of Palm Springs very well and had been instrumental in the concessions project, helping to scope it out when it began in 2019 and again when it was renewed in 2021. Commissioner Feltman had joined the Ad Hoc Design Review Committee of Commissioners who worked with Airport staff to further refine the concession strategy. Commissioner Feltman had also led efforts with the Art Commission to

bring fresh art into the Airport and had been a leader in defining requirements and moving the initiative forward. In addition, Commissioner Feltman served effectively on both the Operations, Properties, and Facilities Committee and the Budget and Finance Committee. Chairman Corcoran remarked that Commissioner Feltman had always been a great voice of reason for the Airport Commission and, on behalf of the City of Palm Springs and City Council, thanked him for his six years of service while extending best wishes for the future. He ended by again expressing gratitude for everything Commissioner Feltman had done for the Airport Commission. Commissioner Feltman thanked Chairman Corcoran.

Chairman Corcoran stated that the Airport Commission also wanted to bid farewell to Commissioner Berriman. Chairman Corcoran noted that Commissioner Berriman had effectively represented the City of Indian Wells during his term. Chairman Corcoran thanked Commissioner Berriman for his perspectives, his insights, and for having stepped up and provided a strong point of view on many of the issues the Airport Commission had addressed and stated on behalf of the City of Palm Springs thanked him for his service. Commissioner Berriman thanked Chairman Corcoran.

**7.B Vice Chair Todd Burke - Reappointed to the Airport Commission**

**7.C Commissioner Samantha McDermott – Reappointed to the Airport Commission**

Chairman Corcoran announced that both Vice Chairman Burke and Commissioner McDermott had been reappointed to the Airport Commission. He stated that Vice Chairman Burke had received a special one-year extension by the City Council and that Commissioner McDermott had been reappointed for her second term. Chairman Corcoran expressed that the Airport Commission had been thrilled to have their continued leadership, noting that Vice Chairman Burke had served as Vice Chair of the Airport Commission and Commissioner McDermott had served as Chair of the Marketing and Business Development Committee. He thanked both for their leadership and expressed appreciation for their support and their time on the Airport Commission.

Chairman Corcoran announced that Commissioner Wiseman, who had not been present at the meeting, had his term extended by the City of Palm Desert. He noted that Commissioner Wiseman had been a valuable member of the Airport Commission and had served as Chair of the Operations, Properties, and Facilities Committee. Chairman Corcoran stated that the Airport Commission had been pleased that Commissioner Wiseman's term had been extended by the City of Palm Desert.

**7.D Timothy Schoeffler – Appointed to Airport Commission**

Chairman Corcoran announced that Commissioner Schoeffler had been appointed by the City Council as a new member of the Airport Commission. He stated that Commissioner Schoeffler would provide his background and noted that he had been

a major leader in the community and had served as Vice President of the Neighborhood Association. Chairman Corcoran stated that Commissioner Schoeffler had attended Airport Commission meetings for over a year to gain an understanding of the issues and the work of the Commission. On behalf of the City Council, the City of Palm Springs, and his fellow Airport Commissioners, Chairman Corcoran welcomed Commissioner Schoeffler and invited him to provide a brief introduction of his background.

Commissioner Schoeffler shared that he had been living in Palm Springs for four years and resided in Old Las Palmas. He stated that he had been on the board of the Neighborhood Organization there, where he had led both the home tours and the beautification committee. He added that he had served as Vice Chairman of One-PS, the citywide neighborhood organization that met monthly, and he acknowledged that Marketing and Communications Specialist Ingrassia had given a great presentation to the group the prior week. Commissioner Schoeffler further stated that he had been a financial advisor for almost forty-five years and remained active in that profession. He noted that the market closed at 1:00 P.M., which gave him the freedom to participate in afternoon activities and shared that he had been looking forward to being part of the Airport Commission going forward.

Chairman Corcoran welcomed Commissioner Schoeffler and stated that he looked forward to officially welcoming him to the Airport Commission at the July 16, 2025 Airport Commission meeting when his appointment became effective. He added that City Clerk Pree might stop in during the meeting to complete the swearing-in process.

#### **7.E Public Impact Award by the Greater Coachella Valley Chamber of Commerce**

Chairman Corcoran announced that the final announcement had been related to an award. He stated that the Airport had received the Public Impact Award from the Greater Coachella Valley Chamber of Commerce. He noted that several individuals had been invited to attend the dinner held the prior week, where the Airport and Executive Director of Aviation Barrett had received special recognition from the Chamber. Chairman Corcoran asked Mr. Barrett to share information about the award and the excitement surrounding it, and to repeat the remarks he had delivered to the audience of 700 to 800 people in attendance. He then invited Mr. Barrett to share his comments.

Mr. Barrett stated that the award had come with several certificates from many important individuals and shared those with the Airport Commission. He explained that the Airport had been contacted by the Greater Coachella Valley Chamber of Commerce and informed that this had been the first year the Chamber had offered the Public Impact Award. He stated that the Chamber had acknowledged the Airport as being impactful to the Valley through the programs implemented over the past few years, the outreach efforts conducted, and the initiatives the Airport had been striving

to achieve. He added that the Chambers had found these efforts inspirational and had unanimously voted for the Airport to receive the award.

Mr. Barrett stated that he had the opportunity to accept the award at a dinner event and that he had written remarks, which he then read to the Airport Commission. He stated that the words Public Impact had true significance, and when informed that the Airport team had been recognized for the award, he reflected on how the team had rallied over the past year to bring the community into the Airport and to create positive touchpoints. He stated that the Airport had accomplished many incredible things over the past year, including substantially overhauling the concessions program with a focus on incorporating local entrepreneurs into the Airport business ecosystem. He further stated that the Airport had engaged in over sixty community meetings and workshops for the Master Plan in partnership with the community, noting that most airports failed in this, yet the Palm Springs International Airport wanted to ensure it had been done right.

He explained that the Airport had adopted a strategic plan rooted in innovation, exceptional customer service, operational excellence, and community partnerships to advance initiatives not historically prioritized, such as supporting Science, Technology, Engineering, and Mathematics (STEM) education for future workforces. He stated that the Airport had taken bold approaches to its in-house advertising programs by building community-centric relationships that elevated the marketing of local services. He further reported that a recent economic impact study showed that the Airport had generated over \$2.5 billion in regional economic output and supported over 18,000 jobs through air service development activities.

Mr. Barrett stated that earlier in 2025 the Airport had adopted a mission statement, that states moving you with unforgettable hospitality. He explained that the Airport had been working to build a culture that truly embraced that mission, whether serving a young couple visiting for a weekend, a family sending a child overseas to serve the nation, or a local resident returning home. He emphasized that the Airport's goal had been to provide unforgettable hospitality.

He concluded his remarks by stating that, on behalf of the 137 Airport staff, as well as the airlines, rental car companies, fixed-base operators, tenants such as the Palm Springs Air Museum, the 19-member Airport Commission, the City Manager, and the City Council of Palm Springs, he thanked the Greater Coachella Valley Chamber of Commerce for recognizing the Palm Springs International Airport. He stated that he had accepted the award not as a finish line, however, as a reminder of the Airport's responsibility to keep improving, to keep connecting, and to continue moving the community with unforgettable hospitality.

Chairman Corcoran expressed gratitude and extended congratulations to the Airport staff, the leadership team, and the Airport Commission, noting that they had all been part of receiving the award. He added that he had been very happy to see that recognition.

## **8. DISCUSSION AND ACTION ITEMS:**

### **8.A Escalators Update**

Executive Director of Aviation Barrett stated that Airport staff wanted to provide the Airport Commission with an update on the escalators, which had been a hot topic of discussion for many months. He explained that Airport staff had completed an in-depth analysis and had held numerous discussions with engineers, contractors, and the City Manager. He stated that the purpose of the update had been to provide the Airport Commission with information on the issues as well as the potential alternatives and plans moving forward. Mr. Barrett announced that Joel Ericson, representative with the Airport's On-Call Contractor RS&H California, Inc. (RS&H), had been invited to present and then turned the floor over to him.

Mr. Ericson advised that he was the Senior Aviation Engineer with RS&H. Chairman Corcoran asked Mr. Ericson to provide a brief introduction on the company and background. Mr. Ericson stated that RS&H had been a full-service architectural and engineering consulting firm that worked across the country, and that he had been part of the Southwest Division. He explained that one of the firm's specialties had been airports, encompassing both architecture and engineering. He noted that he had completed a range of airfield engineering projects for the Airport and the Airport staff.

Mr. Ericson clarified that he had not been an escalator expert, describing himself as a jack-of-all-trades engineer for airports. He introduced RS&H's partner consulting firm, Van Deusen & Associates (VDA, Inc.), to assist with providing detailed technical information on the escalators, and noted that the VDA, Inc. representatives would be able to provide that expertise.

Misty Munoz introduced herself and explained that she had been Vice President of the West Coast Region for VDA, Inc. and that she had been based in Los Angeles. She thanked the Airport Commission for having the VDA, Inc. team attend. Ms. Munoz stated that, similar to Mr. Ericson, VDA, Inc. had handled all aspects of vertical transportation. She explained that VDA, Inc. had been a nationwide company with close to 200 consultants in the United States and that the firm had overseen vertical transportation upgrades, inspections, modernizations, and new design projects across commercial, public, and private sectors. She noted that she had been joined by her colleague, Jeff Sena.

Mr. Sena provided a brief introduction and explained that, as Ms. Munoz had mentioned, he worked for VDA, Inc. and had been with the company for the past four years. He added that he had worked as a consultant for almost twenty years and had been in the vertical transportation industry for approximately twenty-five to twenty-six years.

Mr. Sena outlined the agenda and stated that he would review known issues, alternative solutions the team had identified, site challenges associated with replacement at the Airport, and additional suggestions developed for the escalators.

Mr. Sena stated that the known issues included excessive downtime and explained the distinction between sensor-activated shutdowns and maintenance-and-repair downtimes. He stated that sensor-activated trips were desirable for safety events, whereas maintenance-and-repair downtime had been the critical concern. He reported that one escalator had experienced eight such events in the prior year and the other had experienced ten during the same 12-month period. He added that response time could reach up to 36 hours, that parts availability could delay restoration, and that there had been instances of multiple weeks of downtime for a single event. He noted that an in-truss replacement had been performed approximately nine years prior on these units. He stated that a state-certified contractor managed maintenance, which again triggered response windows of up to 36 hours. He reported clear long-term wear damage to the handrail tracks and noted repetitive knocking noises attributable to the wear. He added that the escalators operated outdoors and had not originally been fit for outdoor service and that late-day sun exposure had driven internal temperatures above 100°F, contributing to deterioration.

Mr. Sena described three main alternatives. First, a Kone Inc. (Kone) repair-in-place option under which Kone would evaluate and recommend repairs to restore expected service levels for the in-truss modified units previously supplied. He gave a preliminary combined cost of approximately \$350,000 for both escalators, including about \$85,000 in design, with further investigation required to validate scope. He stated that schedule impact appeared lowest for this option, with design initiation targeted for August 2025, coordination with TK Elevator Corporation (TKE) as the current contractor, an anticipated Notice to Proceed (NTP) for Kone in early December 2025, and work commencing in early January 2026 with roughly one month of downtime, one escalator at a time.

Second, he described an in-truss modification under which the escalators would be stripped to the structural truss and a custom mechanical system would be designed, fabricated, and installed within the existing truss. He gave an approximate cost of \$600,000 per escalator, or about \$1.2 million total, with added design and construction administration bringing the total near \$1.4 million. He outlined a longer lead time: design starting August 1, 2025, bidding mid-September 2025, a project NTP in early 2026, a fabrication period on the order of 20 weeks, a brief disassembly period to measure and return to service, followed by fabrication, procurement, and on-site installation one unit at a time. He estimated about 16 weeks (approximately four months) per escalator for installation, with the first unit operational around May 2026 and the second unit operational around September 2026, with final completion in early 2027.

Third, he described a full replacement/upgrade that would remove the existing escalators entirely and modify the Sonny Bono Concourse structure to receive new units designed to the American Public Transportation Association (APTA) outdoor standard. He stated that this option would entail significant structural modifications with anticipated seismic upgrades, an estimated \$3 million in structural scope, about \$200,000 for a fabricated temporary stair and ramp assembly to maintain ingress and egress, and relocation of portions of the chiller plant located beneath the escalators to accommodate larger top and bottom pits required for modern escalators. He noted additional impacts to communications facilities, approximately \$1 million per escalator for equipment procurement and installation, and about \$1 million in design and construction services. He stated that the overall schedule would be lengthy, with design and permitting through March 2026, escalator ordering thereafter, relocation of communications and chiller systems, substantial structural work prior to setting the first escalator, six to seven months with no escalators in service using temporary stairs, and a first operational escalator in the first quarter of 2027.

Mr. Sena summarized a qualitative scorecard indicating lower relative cost and schedule impact for repair-in-place, intermediate impacts for in-truss modification, and the highest impacts for full replacement. He stated that passenger experience during full replacement would be most challenging due to reliance on temporary facilities and that serviceable life would be longest and most predictable for the in-truss modification and full replacement options. He cautioned that repair-in-place would require detailed investigation to confirm the specific causes of noise and downtime and that ultimate serviceable life under that option remained uncertain until a full diagnostic could be performed.

Commissioner Berriman inquired what a long serviceable life had meant. Mr. Sena stated that typical escalators had a 30-to-40-year lifespan under proper service and that APTA-grade units tended to be more robust and longer-lived due to heavier construction, with higher associated maintenance costs. He noted that the existing units were about nine years into service since the prior in-truss work and that outdoor conditions, heat, dust, and sand accelerated wear. He stated that enhanced maintenance practices, including more frequent deep cleans and lubrication cycles, potential quarterly step removals and pit cleanings, reduced overnight run time, and use of slowdown features during low-demand periods, would be essential for long-term reliability under either the in-truss modification or full replacement.

Commissioner Fong asked whether pursuing a Kone repair-in-place would leave the Airport with the same escalators still exposed to heat and sand over the next ten to twenty years. He then asked, for the in-truss modification option, what type of escalator that approach would leave in place and whether the same exposure issues would persist. Furthermore, for the full replacement battleship option, what could be expected regarding reliability and improved resistance to heat and sand.

Mr. Sena stated that the question had been layered and addressed it from the beginning. He explained that, if repairs were performed, the Airport would be left with the same escalator configuration, noting the in-truss model completed nine years prior, which VDA, Inc. had not performed. He noted that a key unknown had been whether that prior in-truss work accounted for outdoor conditions and sand exposure or had simply replaced components like-for-like.

He stated that a long-term solution involved both appropriate product selection and increased quality and frequency of service. He reported discussions with TKE and TKE's mechanic, noting that the mechanic had been on site frequently and working diligently, yet the level of service had not met the requirements for outdoor escalators under sandy conditions. He explained that traditional comprehensive cleaning and lubrication with step removal typically occurred annually, whereas the local environment likely required quarterly intervals, which had not been occurring. He added that additional factors affected reliability, including run-time schedules. He stated that the escalators had continued to operate overnight, approximately 10:00–11:00 P.M. to 5:00 A.M., which he compared to accruing mileage on a car when no one had been using them. He further stated that a long-term solution should include evaluating a slowdown feature to reduce speed during low-demand periods and decrease wear.

In addition, he added that when no one had been using the escalators between flight banks, the units could slow themselves down. He compared the concept to driving slowly through a neighborhood rather than at freeway speed, noting that reduced speed decreased wear and tear. He stated that this feature would be incorporated under Option 2 and Option 3 and that all options required enhanced maintenance to improve reliability and extend service life.

Commissioner Hedrick stated a preference for Option 3 and expressed concern about a 14- to 15-month construction period. He noted that many travelers in the Valley would have had difficulty using stairs, that elevators would have become overloaded, and that passengers would have struggled with luggage on stairs, which did not appear workable. He further asked whether the Sonny Bono Concourse would still be in service in 40 years given planned expansions, which might have rendered a full replacement overkill. He asked whether pursuing Option A as a short-term solution could provide two to three years of improved reliability and whether the escalators could be relocated laterally to allow construction while keeping an operating up-and-down pair during the transition.

Mr. Ericson asked if the question had been whether, rather than constructing temporary stairs to compress the schedule, the Airport could install new stair facilities that supported keeping the existing escalators in service longer. Commissioner Hedrick requested clarification on whether the Sonny Bono Concourse escalator structure had been a designated landmark. Mr. Barrett advised it had not. Commissioner Hedrick stated that a like-for-like constraint therefore did not apply. He suggested leaving the existing escalators in place and performing

basic repairs to gain three to four years of service while advancing the preferred option. He proposed relocating new escalators laterally, either to the left or right of the current location, or with the up and down units on opposite sides, to allow construction while maintaining an operating pair. Mr. Ericson advised that the team had not yet evaluated the structural conditions, including planter and support elements required to accommodate such a relocation. Commissioner Hedrick clarified that he had been referring to escalators and stated that the intention would have been to install high-robust battleship units in the new position, followed by removal of the existing escalators once the new units had been placed into service. Mr. Ericson stated there would be other escalators in place to use. Commissioner Hedrick that is correct. Mr. Ericson advised that the team had not yet evaluated whether the escalators could fit off to the side given the back-of-house facilities beneath the Sonny Bono Concourse structure. He stated that they would need to access those locations to determine what would be required to construct the necessary pits, and he explained that the pit size for APTA-rated units would not change regardless of location. He stated he would provide his findings with the Airport Commission on a future date. Mr. Barrett added that Airport staff could evaluate that option and would identify more economical measures to enhance the alternatives and meet operational needs. He stated that internal discussions had considered covering and enclosing the escalators to reduce weather-related impacts from sand, wind, and sun. He added that Airport staff could explore additional alternatives as well.

Commissioner McDermott asked Commissioner Hedrick whether he had been suggesting an option to abandon the existing escalators and identify a new location for new escalators and stated that she had found the concept interesting. Commissioner Hedrick responded that the intent had been to keep the existing escalators in service until the new units had been installed and operational, which would have mitigated impacts on the public. He noted that many travelers in the Valley had been over age fifty-five and stated that passengers often had difficulty carrying luggage on stairs. He added that elevators would likely have run constantly and become crowded, creating accessibility concerns if an elevator went out of service and limiting access for people with mobility limitations.

Chairman Corcoran asked whether the twenty-year vision anticipated retaining the Sonny Bono Concourse. Commissioner Hedrick commented that the Airport would be procuring a forty-year escalator system. Chairman Corcoran stated that the long-range plan called for retaining the concourse and noted the Airport's twenty-year capital forecast of approximately \$2.2 billion. He stated that, in that context and given the escalators' role in serving ten gates, a \$7 million investment could be a smarter long-range choice. He added that customer service impacts still required attention and reported that two employees had been stationed at the base of the stairs when the escalators were out of service, although travelers continued to struggle. He suggested scaling assistance with additional uniformed staff to help passengers on the stairs and direct them to elevators, and he encouraged coordinated messaging with Marketing to set expectations and highlight progress during construction. He

observed that major airports routinely operated amid construction and stated that the community would need preparation for a similar experience at the Airport.

Chairman Corcoran stated that Option 1 did not appear to be a wise investment given its unknowns. He stated that Option 2 merited consideration if the return on investment proved compelling, and he questioned whether the Airport should proceed with the comprehensive replacement now to align with the long-range program, recognizing that a potential completion in 2027 represented a lengthy horizon. He stated that prior comments regarding sun and dust indicated the existing escalators had not been suited for outdoor conditions and asked whether a short-term repair could be acceptable if paired with a robust customer service program. He concluded that a \$7 million investment over a twenty-year period could represent a better long-term outcome and invited further comments.

Commissioner Voss agreed and stated that the public had been very forgiving. He expressed confidence that, with a strong marketing program, appropriate advertising and communications could be provided, and he recommended strengthening a concierge program. He noted that most Airports he had visited had been under construction for extended periods and that the Airport Commission had been planning for a long-term program. Although the future remained uncertain, a short-term band-aid approach would require higher maintenance, lead to more breakdowns, and result in the Airport revisiting the same issue in two years. Chairman Corcoran commented that such an approach could become a \$10 million solution.

Commissioner Voss continued his support to invest and proceed. He characterized the project as a positive step and encouraged Marketing to present it as the beginning of the Airport's transformation, with a top-tier, appropriately rated escalator as the first stage, supported by photos, live images, and video. He recommended a concierge presence to assist passengers. He acknowledged reservations and concerns and stated that a limited period of inconvenience for some passengers was preferable to recurring breakdowns every eight months that could take two weeks or more to resolve. In addition, breakdowns would occur and that, in aggregate, the interruptions might equal at least half of the time needed for the comprehensive project. He advised that Airport staff should proceed decisively and frame the work as a positive first phase, enabling the Airport to showcase a top-tier escalator system prior to the next terminal phase, which he viewed as a win-win.

Commissioner Feltman stated that action had been necessary and that the Airport could not have an escalator continuously broken down. He stated that Airport staff and the ongoing Airport Commission should determine the preferred option and emphasized that an accelerated construction approach be discussed. He advocated completing the work on a 24-7 schedule for the required duration with funding to support that pace. He added that, for the busiest terminal, marketing would not offset the inconvenience and that passengers struggling on stairs would not feel reassured

by messaging. He concluded that the Airport needed to spend the funds required to complete the project as fast as reasonably possible.

Chairman Corcoran added if Airport staff should consider including incentives in the contract to fund, as Commissioner Feltman had suggested, a 24-7 work schedule to accelerate delivery of the escalators. He asked whether those incentives could be incorporated through the Request For Proposal (RFP) or the bidding process and whether contractors would respond accordingly.

Vice Chairman Burke commented that he aligned with Commissioner Voss and Chairman Corcoran. Vice Chairman Burke expressed complete confidence in the Marketing team to develop unique and creative ways to keep the public informed as the project moved forward, and in the Operations team to mitigate customer-service impacts. He stated that the Airport Commission could not continue addressing the same recurring problem with temporary measures.

Commissioner Martin advised that he might have missed something and stated that he understood the desire for the gold Cadillac option. He observed that the chart on the screen showed two greens and two yellows compared to three reds and asked why the in-truss modification approach had not been as good as the replacement and upgrade approach, requesting an explanation.

Mr. Ericson stated that the twenty-year horizon for the Sonny Bono Concourse had been the point he had focused on. He added that, after conferring with Mr. Sena, he had requested details explaining why the serviceable life for the in-truss modification had been described as green, noting its relevance to the terminal's twenty-year forecast.

Mr. Sena stated that a traditional in-truss modernization, even for indoor units, typically yielded a 25- to 30-year serviceable life upon completion. He explained that, because the specifics of the work performed nine years prior were unknown, the team would specify equipment appropriate for outdoor conditions rather than replace components like-for-like. He noted that outdoor-rated components existed, that the original installation had not been designed for outdoor use, and that it remained unclear whether the prior work had accounted for heat, dust, and sand. He stated that the in-truss scope would explicitly call for higher-spec equipment suited to those conditions and that appropriate maintenance would still be required.

Commissioner McDermott asked whether the proposed in-truss modernization would provide approximately twenty years of usable life by effectively taking the system down to the truss and installing a new generation of components. Mr. Sena stated that was correct. Commissioner McDermott stated that this had changed the scenario. Mr. Sena advised that this had been the case and that the in-truss modification would be specified to target a serviceable life of more than twenty years, contingent on proper maintenance. Commissioner McDermott inquired whether the estimate had included the service contract costs referenced in the budget figures

shown on the screen. Mr. Sena stated that the service contract had not been provided and that the figures shown reflected installation costs only. He added that, at the Commission's request, the team would review the existing service agreement and recommend modifications to ensure maintenance standards matched the operating conditions.

Commissioner McDermott requested a rough ballpark estimate of ongoing service costs for the Kone in-truss modernization and for a full Cadillac replacement. Misty Munoz stated that the team had wanted to review the value of the current maintenance agreement, since the anticipated service level would have been above and beyond the existing scope. Commissioner McDermott asked whether a percentage estimate could be provided, such as 15–20% above current costs. Ms. Munoz stated that a reasonable ballpark had been approximately 20% more than the current agreement.

Commissioner Park inquired whether staff had a recommendation. Mr. Barrett stated that Airport staff wanted to hear opinions from the Airport Commission and then addressed two issues, noting time and budget. He explained that the primary constraint had been manufacturing and delivery of parts required for installation and that sequencing would need to be timed to minimize customer impacts during peak periods. He stated that he had not been certain about an approximately eighteen-week manufacturing timeline and added that costs in the broader capital program had risen and that staff needed to balance future projects with what could be afforded and maintained. Mr. Barrett stated that Airport staff recommended the in-truss modification as the best value and that staff sought Airport Commission feedback.

Chairman Corcoran asked whether including incentives in the contracts to accelerate delivery would work. Mr. Ericson advised that incentives could be included in the contract. He stated that their greatest effect would have been on structural modification work, including potential chiller-plant relocation, where 24-7 operations could buy time. He noted the tradeoffs among cost, budget, and quality and stated that only two could be prioritized at once. He explained that equipment manufacturing had not been the primary schedule driver and that, from an escalator supplier perspective, replacement and upgrade proceeded faster, with the overall schedule driven by ancillary work. He cautioned that purchasing schedule gains in California had been very expensive, since overtime rules resulted in labor cost increases greater than twofold, and he noted additional complexities involved.

Commissioner Martin stated that he still had not fully understood why the in-truss modification had not been the preferred approach given its lower cost, comparable serviceable life, and schedule advantages, and asked for an explanation beyond selecting a top-grade option. He requested clarification, noting that he did not see why the in-truss approach had not been obvious to everyone. Commissioner Burke stated to Commissioner Martin that once he had heard the in-truss modification could provide up to a twenty-year serviceable life, he had become more interested

in learning more about that option. Commissioner Martin requested that the schedule displayed on the screen include, in addition to the color coding, the costs for the in-truss modification versus the replacement, the respective schedules, and the expected serviceable life for each option so they could be compared side by side. He acknowledged that preparing such a comparison in real time could be difficult and asked someone to walk through the costs, serviceable life, and schedule for each option.

Commissioner McDermott stated that, as the team prepared the side-by-side comparison, she had a question about the chiller component since not everyone spoke escalator. She asked what impact chiller relocation would have and whether it would affect operations. Mr. Barrett stated that the impact would be significant. Commissioner McDermott asked whether the chiller would need to be moved under the in-truss option. Mr. Barrett replied that it would not. Commissioner McDermott responded that the chiller and related elements would only require relocation under a full replacement, and Mr. Barrett confirmed that had been correct. She concluded that this explained the longer timeline due to those elements.

Mr. Ericson stated that, since the discussion had turned to the chiller room, he would jump onto those slides and then return to the schedule numbers. He explained that directly beneath the passenger platform there had been a chiller plant and electrical switchgear, that the elevator tower had been integral to the structure, and that the concourse entry had already been narrow. He noted that the building code required maintaining ingress and egress at all times, which meant accommodations would be necessary before removing the escalators.

He described photos showing a sloped concrete ceiling over electrical cabinets beneath one escalator and stated that the flat roof above, sized for the existing units, would require extensive modification. He added that this work would necessitate relocating piping and pumps. He reported that, according to mechanical engineers, the cost of relocation had been so high that returning the chiller plant to its current room had been unlikely, and that a permanent relocation elsewhere in or adjacent to the facility would likely be required. He referenced another angle from the room beneath the stairs and stated that the roof carrying conduit and fire protection piping would need demolition, with new pits constructed to accommodate the larger escalators.

Chairman Corcoran commented that the discussion had come full circle and asked whether selecting the in-truss modification at a cost exceeding \$1 million would provide a high-confidence serviceable life of approximately twenty years. Mr. Ericson stated that was correct.

Commissioner Ebensteiner inquired whether there had been any tenant issues, including downstairs relocations, storerooms, or retail spaces, and whether anyone would be displaced. Mr. Barrett advised that no tenants had been located immediately beneath the escalators and that the area had primarily been a

maintenance space, so impacts would have fallen mostly on Airport staff. He added that some relocation ahead of the work might have been required.

Commissioner Caldwell stated that he favored the in-truss modification and that the in-truss approach involved approximately twenty weeks of inconvenience and asked that this be clearly noted. He expressed concern that chillers and things of that nature often revealed unforeseen issues that could significantly affect timeline and cost. He asked whether creative ways could be implemented to help passengers move from point A to point B during the twenty-week period. Mr. Barrett replied that Airport staff had been creative when necessary and stated that he wished to add a point regarding traditional stairways. He noted that such an option existed and stated that adding elements of complexity to the project increased costs and extended the schedule. He added based on the Airport staff's perspective; the in-truss modification had been the best way to achieve the needed outcome while minimizing schedule impacts.

Chairman Corcoran asked whether Airport staff had been seeking the Commission's support on the recommendation that evening. Mr. Barrett replied that they had.

**MOTION BY COMMISSIONER MCDERMOTT, SECOND BY COMMISSIONER HEDRICK, CARRIED UNANIMOUSLY, to approve the In-Truss Modification and explore opportunities to accelerate the timeline where feasible.**

Chairman Corcoran asked what the next steps. Mr. Barrett stated that Airport staff would complete background work, engage engineers, and sequence design and procurement activities, recognizing lead times prior to manufacturing and production. He stated that the target for initial field activities had been early May 2026. Chairman Corcoran asked whether City Council approval would be required. Mr. Barrett advised it does.

### **8.B Art Curator Update**

Executive Program Administrator Brown provided the Art Curator update and stated that Airport staff had been finalizing the Art Curator RFP. She stated that Airport staff intended to present the art curator agreement at the July 16, 2025 Airport Commission meeting. Chairman Corcoran asked whether she could identify the selected curator. Ms. Brown replied that the selection had not been finalized and that additional time had been required, and she reiterated the plan to bring the item in July 16, 2025. Commissioner Park inquired if Airport staff were working with the Procurement and Contract department through an RFP process. Ms. Brown confirmed that the curator would be secured through the City's procurement process, that the solicitation had gone out to bid, that interviews had been completed, and that Airport staff had been finalizing a determination.

Chairman Corcoran asked whether it had been appropriate to receive input from Airport Commission on the process. Ms. Brown stated that it wouldn't be appropriate

during the active procurement period and that details could not be disclosed. Chairman Corcoran stated that the full item would return at the July 16, 2025 Airport Commission meeting.

Commissioner Wise asked whether the curator's engagement would create a continuing relationship or a handoff after completion, and whether a City arts coordinator would remain involved. Ms. Brown stated that the program policy approved by City Council had established a working group composed of two Airport Commissioners or designees, two Public Arts Commissioners or designees, the art curator, and herself as lead. She stated that, once the curator had been finalized, she would work with Chairman Corcoran and Vice Chairman Burke to identify the Airport Commission designees and with Public Arts Commission liaison to identify Public Arts participants. Chairman Corcoran stated that the relationship between the working group and the Public Arts Commission had been a dotted line. Ms. Brown stated the difference is that the art curator would not be a voting member.

Commissioner Feltman asked whether the Airport Commission would hold a voting majority on the working group. Ms. Brown stated that it would not, noting the two Airport and two Public Arts members. Mr. Feltman stated that the composition should be reconsidered given prior delays and urged an Airport majority to ensure progress. Chairman Corcoran stated his understanding that the working group would consist of two Airport Commissioners, two Public Arts Commissioners, and the Executive Program Administrator for a total of five, and that recommendations would return to the Airport Commission for final decision. Executive Director of Aviation Barrett confirmed that understanding, described the working group as a standing ad hoc intended to meet regularly with the curator to plan the Airport's art program, and stated that the policy had been designed to foster collaboration between the two commissions. He acknowledged that an odd-number structure had been preferable and stated that Airport staff could revisit that detail.

Chairman Corcoran asked whether the final decision would come to the Airport Commission. Mr. Barrett confirmed that it would. Chairman Corcoran reiterated that final decisions would come to the Airport Commission. Chairman Corcoran asked that the art curator meet the Airport Commission once selected.

### **8.C Taxicab Ground Transportation Fee Increase**

Assistant Airport Director Carpenter stated that the Airport Commission Agenda Packet included a staff report that had originally requested a recommendation to City Council to approve an increase to ground transportation fees. She advised that the item had been changed to informational purposes only and that no vote would be taken. She explained that Airport staff had received new information related to SunLine and needed time to review it before presenting a recommendation to the Airport Commission or to City Council.

Ms. Carpenter provided a preliminary overview and stated that the intent had been to pursue a rate increase because Transportation Network Company (TNC) fees had already been raised from \$3 to \$4 and Taxicab and TNC fees had remained aligned for an extended period. She noted that the initial concept had been a \$0.50 increase and that, for calendar year 2024, taxicabs accounted for approximately 10% of ground transportation trips, with TNCs at approximately 55%, followed by car rental companies. She reiterated that the item had been informational and that staff expected to return with a potentially revised rate proposal after confirming the status of the SunLine ordinance.

Executive Program Administrator Valencia-Miller stated that the summary Ms. Carpenter provided had been accurate and that Airport staff needed to follow up with SunLine and the Taxicab companies regarding information received within the past few days. He added that Airport staff would return to the Airport Commission with a more detailed recommendation.

Chairman Corcoran clarified whether there had been any need for questions at that time and whether Airport staff would continue the process. Ms. Carpenter confirmed that had been correct.

Commissioner Wise stated that, when Airport staff returned with the item, he requested discussion of any differences between the TNC and Taxicab rates and the logical reasons for those differences. He added that, if no clear rationale existed, aligning the rates or keeping them very close would make sense from a fairness standpoint. Chairman Corcoran commented that was a good a point.

#### **8.D Lobby Space Update**

Executive Director of Aviation Barrett advised that, over the prior few months, Airport staff had discussed the former space in the central lobby that had been used for the Coachella pop-up. He stated that Airport staff had evaluated whether the area needed to remain available for aeronautical or airline office use to resolve related space needs, and that airlines initially interested in occupying the space had determined they did not require it. He reported that the Airport had therefore been clear to repurpose the space to enhance the customer experience. He stated that Airport staff had conferred with Commissioners and internally, believed there had been a viable path forward, and had scheduled a subsequent meeting with the Fuse Connect, LLC (Fuse) team to align on next steps. He asked the Airport Commission for feedback on desired uses, noting ideas such as advertising local Valley events as a welcoming feature and a potential lounge activation in the area, and invited any additional concepts for the Fuse team to explore with partners.

Commissioner Caldwell asked whether the absence of airline tenancy meant there had been no income-generating opportunity for the space. Mr. Barrett stated that the space could generate income and that the critical-path consideration had been determining whether it needed to be reserved for aeronautical or airline use. He

stated that, with that issue resolved, Airport staff could pursue revenue-generating activation. Chairman Corcoran commented that the assumption had been to use the area for advertising to generate revenue.

Commissioner Banks asked whether, since the space had been used successfully as a pop-up store during the Coachella Festival, any retail operators had expressed interest in using it. Mr. Barrett replied that Airport staff sought a use that aligned with Airport interests or generated sufficient income to be sustainable. He stated that one option had been to revisit and reissue the prior RFP to gauge market interest. He added that Airport staff desired to move quickly and that, if a tenant could be secured, the Airport would pursue a short-term use of fewer than five years before issuing a new RFP.

Chairman Corcoran stated that the original discussion, initiated by Jeffrey Bernstein, had focused on using the space as an area where people could wait for arriving passengers. He added that the team then evaluated working with Fuse to generate revenue and referenced a Golden Voice deal of approximately \$6,500, asking whether the Airport could achieve about \$70,000 in advertising revenue over twelve months. He stated that the goal had been to activate the space to provide places to stand or sit while waiting for arriving passengers and asked for additional ideas to challenge the Fuse team to consider.

Ms. Carpenter added that, under Fuse's advertising contract, the company had invested new capital at the Airport to enhance advertising placements, including improvements in the baggage claim area. She stated that Fuse had the capability to convert the former lobby space into a sponsored activation similar to the Agua Caliente Concourse program, working with Valley companies on sponsorships and advertising that generated revenue while enhancing the passenger experience. She explained that this approach provided a lawful path to proceed without issuing a new RFP, although issuing an RFP remained an available option that would allow multiple firms to propose revenue-share or flat-fee arrangements. She noted that Fuse's contract included options to extend and that exercising an extension would support Fuse in making additional capital investments.

Ms. Carpenter reported that customer feedback over the prior year indicated interest in a lounge-style area. She stated that an exclusive club product had been unlikely in the near term, and that Airport staff could instead create a comfortable seating area and coordinate with partners such as Paradies Lagardere, Inc and Marshall Retail Group also known as WH Smith to provide food service to waiting passengers. She estimated the space at approximately 500 square feet and requested feedback on whether to proceed with Fuse on a sponsored activation or to pursue a competitive solicitation.

Commissioner Berryman asked whether Airport staff had evaluated the possibility of using the space as a shared venue for nonprofits in the Valley. Ms. Carpenter stated that Airport staff had not evaluated that option and agreed it had been a good idea.

Chairman Corcoran commented that the space had been relatively small and that maximizing revenue from approximately 500 square feet had been challenging. He stated that even with nonprofit advertising, long-term selection of a single user for the space had been difficult to justify. He noted that sponsorship activations tied to major Valley events, such as Coachella and Modernism Week, could generate revenue during peak periods and stated that Airport staff had challenged Fuse to demonstrate whether \$6,500 per month in revenue could be achieved at that scale, primarily through sponsorships and advertising. He then asked whether the Fuse contract had been set to expire in the spring. Deputy Director of Aviation, Marketing and Air Service Meier stated that the Fuse contract had been set to expire in July of the following year.

Chairman Corcoran noted that, as he understood it, renewal of the Fuse contract introduced capital dollars to support new ideas at the Airport. He asked whether the renewal decision could be accelerated to free those funds and help activate the former lobby space. Ms. Carpenter advised that the answer had been yes and added one additional point for the Airport Commission. She stated that, to ready the space, Airport staff had been obtaining three quotes from construction companies to determine the cost to deliver the area in a blank-slate condition so that Fuse could build out the activation and create a true passenger experience. She noted that this preparation would entail costs and confirmed her response had been yes.

Chairman Corcoran stated that the Airport Commission should consider accelerating the Fuse contract decision, noting that Fuse had delivered strong quality, creativity, and financial results. He stated that, if additional funds were needed to advance the concept, an accelerated renewal could help support the activation and should be considered in next steps. He stated that he had discussed with Jeffrey Bernstein the pros and cons of issuing a new solicitation and observed that a competitive process could require approximately nine months to develop bids. He added that the preference had been to improve the customer experience as quickly as possible with a trusted partner, citing increased confidence following the Agua Caliente Concourse activation and the advantages of working with a partner already embedded at the Airport. He continued that there had been limited support for a new solicitation for a 500-square-foot space and that a current partner might contribute capital immediately to initiate the activation.

Commissioner Wise stated that he had been considering activations tied to major events such as Coachella, Stagecoach, the tennis tournament, the film festival, and golf tournaments. He suggested creating an area for early ticket pickup, noting that travelers who had not received tickets by mail often faced difficulties obtaining them at venues such as the Indian Wells Tennis Garden or event sites. He stated that the service could be offered for a nominal fee or as a partnership gesture and characterized it as an opportunity for the Airport to shine and provide another reason for attendees to fly into the Airport.

Chairman Corcoran stated that the Coachella pop-up store had sold merchandise for only a few days during its month-long installation and had performed very well. He suggested that the tennis tournament could sponsor the space during its four-week run and asked Fuse to propose additional concepts to activate the area, such as on-site ticket pickup. He noted, in relation to the Plaza Theatre, that the Airport had been nearly ready to display current programming for arriving passengers and that a permanent advertising installation in the space would be an ideal way to promote shows. He expressed a desire to proceed with Fuse and to receive suggestions as quickly as possible, provided the Commission agreed. He asked Airport staff to consider accelerating the contract decision if doing so unlocked capital dollars to support the activation. Ms. Carpenter responded yes.

Commissioner Kiehl stated that, regarding special events, the upcoming Olympics followed by the Paralympics should remain on the Airport's radar and that the former lobby space could be utilized for related activations. He added that such use would likely present a strong revenue opportunity. Mr. Barrett replied that Airport staff had already held those discussions. He stated that the goal had been to present a visible, welcoming presence for arriving passengers and greeters, rather than a closed roll-up door, while maintaining the ability to activate the space. He added that Airport staff would relay the Airport Commission's feedback to Fuse, which had developed numerous concepts, and that staff aimed to ensure all ideas had been captured.

Commissioner McDermott added that she had attended several meetings with Mr. Barrett, Ms. Carpenter, and the Fuse team and spoke to their strong enthusiasm. She noted that the space had been located outside security, which supported the Airport's role as a community airport. She stated that it would have been convenient for patrons to obtain event tickets there rather than waiting in lines down valley, creating interest even for individuals who had not been traveling, and that the concept could drive additional exposure and revenue. She further stated that, consistent with accelerating the contract, the Fuse team had already presented ideas and had committed to reinvesting capital expenditures to prepare the space, which could justify moving forward expeditiously.

Commissioner Voss stated, half-jokingly, that Airport staff could consider slot machines in the space and suggested placing them near a concession so patrons waiting for arriving family members could purchase food and drinks with Airport staff circulating between the two. He then offered a second proposal to explore an Airport lounge located post-security, referencing American Express-style lounges. He suggested that frequent local travelers would pay approximately \$1,500 per year for access and proposed early operating hours beginning at 4:00 A.M., with amenities such as coffee, hot food, cocktails, and assisted services including flight bookings. He noted his long tenure in the Valley and asked whether the concept had previously been considered.

Chairman Corcoran stated that, during the concessions reset, development of a club facility had been a major consideration. He asked whether the ultimate issue had

been lack of available square footage, that the Airport had not had sufficient space. Mr. Barrett stated that lack of square footage had not been the issue and that Airport staff had initially explored the lounge concept with the Fuse team. He explained that the challenge had been the location of Airport Police officers directly behind that space, and that staff needed to ensure officers remained close enough to the checkpoint to respond promptly.

Chairman Corcoran asked whether the proposed lounge location had been behind the checkpoint and whether there had been space available in that area. Mr. Barrett stated that the area behind the proposed space had been used by Airport Police officers as their access and egress corridor and that the operational issue involved providing a secure, controlled path for screened passengers from the checkpoint to any lounge in that location without disrupting security operations. Chairman Corcoran asked whether the long-range plans presented an opportunity to relocate the Airport Police functions to facilitate a lounge in the future. Mr. Barrett replied yes.

Ms. Carpenter sought feedback on a pre-security lounge concept, noting that Fuse had presented initial ideas, and asked whether any Commissioners had opposition. Chairman Corcoran requested that Airport staff bring the ideas forward. Ms. Carpenter replied that staff would present the concepts at the July 16, 2025 Airport Commission meeting.

Rich Gordon, a representative of Fuse, provided public comment and thanked the Airport Commission for the positive comments. He stated that Fuse had been excited to work with the Airport to create a first-class pre-security lounge for those waiting for arriving passengers. He explained that the concept included space for ticket sales and pickup, merchandising for major festivals and events, and advertising. He stated that Fuse recognized the need to raise additional advertising dollars and believed the space had been well suited to generate the revenue the Airport had sought relative to possible office tenancy. He concluded that Fuse looked forward to partnering with the team and thanked the Airport Commission for the positive comments.

## **8.E Marketing Update**

Deputy Director of Aviation, Marketing and Air Service Meier reported a fifth consecutive monthly passenger record in 2025, with approximately 249,008 passengers and roughly a one-percent year-over-year increase. He noted forward schedules that projected gains of about 17.8% in July, 9% in August, 8.8% in September, and 5.6% in October, and added that July showed a 27.8% decline in Canadian arriving seats, an absolute reduction of roughly seven flights out of about 924. Staff also recapped Airport Counts International (ACI) JumpStart Air Service Development meetings, stating that American Airlines had reported U.S. capacity down approximately 11% year over year with strong domestic demand and no near-term capacity increase expected, and that Flair Airlines had reported U.S. capacity

down approximately 12% while indicating that California and New York had remained comparatively healthy.

In addition, he advised that Flair Airlines had opted not to return to the Airport for the upcoming season and had indicated interest in resuming service in winter 2026, either over the holidays or the following fall if demand improved. He stated that Canadian carriers had continued to prioritize Florida, Phoenix, and Las Vegas, and that California demand had remained comparatively stronger than other United States (U.S.) regions. He added that one carrier planned a five-percent winter capacity trim beginning in November 2025, equating to approximately 70 monthly flights instead of 74, and that the weak Canadian dollar had increased costs for Canadian visitors. He noted that several U.S. carriers had reported April 2025 results below expectations, while Visit Greater Palm Springs reported record April 2025 hotel occupancy and record high average daily rates and the Airport recorded a monthly passenger record, which suggested yields likely faced pressure from higher-than-typical hotel prices and added airline capacity versus the prior year. He continued that overall carrier sentiment toward the Airport had remained positive, that Flair's absence affected only a six-week, twice-weekly Vancouver operation from last season, and that WestJet and Air Canada continued to provide multiple daily Vancouver flights, so no market had been lost.

Mr. Meier stated that ProgressPSP, the new Capital Improvement Program webpage, had been designed to provide the public a one-stop resource for information on all ongoing Airport projects with status updates, and invited Marketing and Communications Specialist Ingrassia to discuss the launch and initial public reception.

Mr. Ingrassia reported that ProgressPSP launched on May 29, 2025 with the goal of giving the public insight into Airport operations and the breadth of passenger-facing and behind-the-scenes projects. He noted for participants that the site had been available at ProgressPSP.com. He stated that in the first two weeks the site received approximately 6,000 page views from more than 4,100 unique users, and that with a couple additional weeks of data page views totaled about 6,500.

He added that visitors explored the site rather than exiting immediately, viewing on average about three project pages per session. He also reported that visitors viewed about three project pages per session on ProgressPSP.com. He stated that the terminal expansion page had been the most visited, with retail and dining and courtyard improvements ranking closely behind. He added that the longest engagement times occurred on the automated exit-lane project and the Agua Caliente Concourse Oasis installation pages. He noted a 71% open rate for the launch email campaign, affirmed strong public interest in airport improvements, and stated that staff remained committed to keeping the site current while encouraging continued public engagement.

## 8.F Financial Update

Assistant Airport Director Carpenter presented the financial update and stated that the financials through May 31, 2025 showed surpluses in all four Airport funds. She reported a Customer Facility Charge surplus of approximately \$8.6 million, a Passenger Facility Charge surplus of approximately \$5.6 million, an Operations and Maintenance surplus of approximately \$13.8 million, and an Airport Capital Projects surplus of approximately \$6 million. She noted that advertising revenue to the Airport had increased by 57% year over year. She added that, at fiscal year-end following the audit, 50% of any Operations and Maintenance surplus would be returned to the airlines under the Airport Use and Lease Agreement, while the remaining 50% would accrue to fund balance to support capital projects.

Chairman Corcoran asked why, if half of the surplus returned to the airlines, the Airport did not spend more within the budget to reduce the return, citing the escalator project as an example. Ms. Carpenter explained that airlines paid for capital through annual rates and charges and that items classified as capital outlay under \$300,000 were amortized into landing, gate, hold room, and joint-use fees. She stated that Airport staff had been calculating airline rates and charges for the current year and that the airlines therefore paid for Airport capital projects through those mechanisms. She reiterated that 50% of any Operations and Maintenance surplus returned to the airlines and that the remaining 50% strengthened the Airport's capital funding.

Ms. Carpenter shared that Airport staff had worked closely with the City's Finance Department and Airport divisions for six months to refine the proposed budget, presented to City Council on June 11, 2025, and slated for final adoption on June 25, 2025. She stated that the proposal rolled up all four Airport funds and noted two restricted funds, Fund 405 (Customer Facility Charges) and Fund 410 (Passenger Facility Charges), limited to eligible Customer Facility Charges and FAA-approved Passenger Facility Charges projects. She reported a forecast surplus of approximately \$180,000 in FY 2026 and a projected \$15 million deficit in Fiscal Year 2027, explaining that the deficit reflected planned use of fund balance to support capital projects. She identified the baggage hybrid system as the largest near-term project, with approximately \$60 million in anticipated federal grants over the next few months spanning the four-year project and stated that fund balance would also support projects such as the escalators, temporary FIS construction, and terminal restrooms. She added that a revised overall summary would appear on the June 25 City Council agenda within 24 hours and reiterated that O&M surpluses would continue to flow to capital projects.

Chairman Corcoran asked whether the budget would balance out. Ms. Carpenter replied that it essentially would and stated that the Airport had not been in financial hardship. Chairman Corcoran asked whether, relative to the City's deficit-mitigation efforts, the Airport remained financially sound. He added that Airport had been in strong financial condition and cited an assigned fund balance of approximately \$100 million available to support major capital projects.

Director of Finance and Treasurer Mooney stated that the Airport had been in good financial condition, noting an assigned fund balance of approximately \$100 million. Mooney added that this fund balance had been intended to support major capital projects and that planned expenditures would draw from this reserve. Mr. Mooney concluded that, from both a fundamental and financial stability perspective, the Airport had been in great shape.

Commissioner Wise stated that he had not favored presenting a roll-up of all four funds. He acknowledged the roll-up had been required for the audit and annual report, although he emphasized that when 15 to 20 commissioners reviewed the figures, attention tended to gravitate to the bottom-line dollars, creating the impression of broad availability. He noted that the large balances in the Customer Facility Charge and Passenger Facility Charge funds needed to remain clearly segregated for their restricted purposes, and that only Funds 415 and 416 were suitable to consider together while still presenting them separately to ensure clarity. He cautioned that the roll-up could give the public and commissioners a misleading sense of flexibility, even as the overall financial health remained strong.

Mr. Mooney acknowledged the concern with rolled-up presentations and stated that City staff had preferred greater clarity on restricted funds. He explained that this year's 300-page budget book had pulled data directly from the financial software rather than through Excel, which had produced the current format. He encouraged Commissioners to review the budget book's Airport section and reported that City staff had planned to refine the presentation to make it easier to read and to distinguish restricted and unrestricted funds. He requested ongoing Commission feedback to enhance transparency.

## **8.G Future City Council Actions Update**

Assistant Airport Director Carpenter reported upcoming City Council action items. She stated that the next City Council meeting would be Wednesday, June 25, 2025, and that the agenda included, extending the rental car agreements for all existing car rental services for one year; a long-term agreement with Carasoft Technology for common-use; and the Fiscal Year 2024 airline settlement granting sharing credits to the signatory airlines, with approximately \$5 million returned from a \$10 million surplus to five active signatory airlines among the seven signatories. She added that the July 9, 2025 agenda would include the art curator item; the purchase of eight electric-vehicle trucks; Amendment No. 3 with the American Association of Airport Executives for security background-vetting services; renewal agreements for Sky Chef a food catering company, AG, Inc., and Unifi; and an amendment to ABM Aviation Parking Management Services reducing the contract to remove traffic-enforcement officers and Taxicab starters since the Airport had deployed its own team, which had generated positive customer-service feedback at the curb. She noted that a Marshall Retail Group item would formalize The Pink Door space, which had originally been awarded as a vending machine in the RFP and had since

operated as a coffee shop, and that the action would align the legal documents with changes made through the concessions program.

#### **8.H Projects and Airport Capital Improvement Program Update**

Project Manager Singh reported that Airport staff had advanced the escalators project and would return the following month with RS&H's detailed input and next steps on the selected alternative. He then presented the Transportation Network Company (TNC) and Taxicab shelter concept, a Measure J-funded effort. To test feasibility without deep design, Airport staff limited work to a conceptual study, spending approximately 2.5% of the \$1 million budget (approximately \$23,000). The concept proposed two shelters at the north taxi area and five at the south TNC area, each approximately 15 by 20 feet. The preliminary conceptual estimate totaled about \$2.5 million, which exceeded available funding; a taxi-only scope had been estimated at roughly \$900,000, and a TNC-only scope at roughly \$1.7 million. Estimates included shelters, lighting, exposed beams, design contingency, general conditions, and landscaping. Singh stated that next steps would include discussion of scope and options.

Singh reported that the baggage handling system procurement had received a bid protest and that Airport and City staff had been working through the protest process, with an update expected at the next Airport Commission meeting. He stated that for the restaurant/retail renovation design phase, Airport staff had received a follow-up proposal from the architectural firm for approximately \$1.27 million, which had been included in next year's capital program. The design scope anticipated about 11 new stores and approximately 10 additional stalls at the courtyard restrooms. A task order had been issued to M. Arthur Gensler Jr. & Associates, Inc. (Gensler), a July kickoff meeting had been expected, and the design timeline had been negotiated down from roughly 25 months to approximately 20–25 weeks, with additional reductions anticipated in plan check and bid-document timelines through close coordination.

Singh added that the Measure J outdoor furniture project remained on schedule, with delivery expected by late July 2025 or late August 2025, and that the contractor had been fabricating custom molds. Lastly the Purchase of (8) Plug-In EV Pick-up Trucks & (4) Electric Vehicle (EV) Chargers project had received two bids, that City's Procurement and Contracting Department had been reviewing responsiveness and responsibility, and that, contingent on that review, a contract had been targeted for the July 9, 2025 City Council agenda.

Commissioner Hedrick inquired about the EV bids and asked whether the Airport had the money in-house. Mr. Singh stated that the project had been funded with the Federal Aviation Administration (FAA's) Zero Emissions Vehicle (ZEP) grant, that the grant funds had been in hand, and that the received pricing had been within budget. Commissioner Hedrick further asked whether there had been any possibility that the grant could be withdrawn.

Mr. Singh affirmed that the FAA ZEP grant had been in place and that Airport staff had reported on it quarterly. Assistant Airport Director Carpenter confirmed that the grant agreement had been executed, stated that Airport staff would begin paying for the vehicles and drawing down the grant, and noted that the funds had been in hand.

Commissioner Caldwell asked, regarding the shade-structure project scope, whether the proposed Taxicab and TNC shade structures would be removed when the terminal master plan advanced. Mr. Singh confirmed. Commissioner Caldwell then sought confirmation of the conceptual cost and stated reluctance to expend \$2.5 million if the structures would later be torn down. Mr. Singh confirmed the estimate of approximately \$2.5 million and stated that only about \$1 million had been funded.

Executive Director of Aviation Barrett clarified that Airport staff had sought feedback from the Airport Commission on the preferred direction considering new information since prior discussions. He noted that the Airport's long-term plan contemplated reconfiguring certain roadways and that changes to passenger operations might occur, which the Commission should consider. He added that these factors had not been expected to be showstoppers.

Chairman Corcoran observed that Taxicab wait times had been shorter than those for Uber and Lyft and stated the Airport Commission faced a choice about where to invest without wasting funds over the next three years. He added that he did not view such spending as a total waste. Commissioner Banks recalled the prior slide indicating approximately 55% of passengers used TNC's and about 10% used Taxicab, and suggested that prioritizing TNC users would yield a greater impact. Commissioner Caldwell asked whether the proposed shade structures would be temporary and whether historic-preservation requirements would apply. Mr. Barrett responded that demolition was not certain, though highly likely under the master plan, and stated that staff did not expect historic-preservation constraints for the TNC area while the Taxicab area could require further review.

Chairman Corcoran stated that the Airport should forecast when removal might occur, asking whether the decision horizon had been approximately five to seven years. He stated that the Airport Commission would need to back into an estimate and decide whether the investment made sense and noted that funds could be redeployed to other needs if warranted. He added that stakeholders had requested improvements on that side of the Airport for approximately three years and that the goal had been to deliver shade and related enhancements there.

Mr. Singh stated that Airport staff had been working to relocate rental car operations from their current location to the overflow lot. He reported that a project application had been initiated, with environmental and design work expected over the next few months. He explained that once rental cars had been relocated, the area currently used by TNCs, taxis, and rental cars would be free for reconfiguration. He added that a key goal had been to reduce traffic in front of the terminal by shifting most

Taxicab and TNC activity to the lower roadway and widening that curb. He estimated an approximately three-year timeline, targeting readiness in 2028, and noted that planning remained in early stages with preliminary design review underway. He stated that the relocation would enable use of a larger lot to stage and accommodate additional vehicles.

Chairman Corcoran asked whether, with another month of study, staff would have greater confidence in the next step and avoid wasting funds. Mr. Singh stated that staff could confer internally and return with a more refined timeline.

Commissioner McDermott explained that the reason for inquiring about historic preservation had been to explore whether, for a temporary solution, the design approach could be broadened and whether the Airport could engage Fuse to help underwrite a concept through creative sponsorship that provided subtle visibility. She acknowledged that such an arrangement might not have been the most likely scenario yet could still be viable. Airport Planner Gomez stated that, upon presenting the concept to the Measure J Commission, the body would consider the proposal in totality and the project team would support whatever decision the Airport Commission reached. She explained that, for permitting purposes, the shelters would be presented as permanent structures even though the anticipated horizon had been approximately three years. She added that the package would include both TNC and Taxicab shelter options, with flexibility for the Airport Commission to select all or portions, and that the design remained open for refinement to complement the existing setting. He affirmed that the team would be transparent that circumstances could change and that the installation could be limited to about three years.

Commissioner McDermott asked whether a scenario existed in which a partner could financially support the shade-structure project through creative financing. Chairman Corcoran commented that he had not been sure a partner had available budget. Ms. Gomez explained that, because the project site was on Airport property, external development funding had been constrained. Chairman Corcoran stated that the Airport Commission needed additional information, including schedule and timing, to determine whether the investment would be prudent.

## **9. EXECUTIVE DIRECTOR REPORT**

Executive Director of Aviation Barrett provided the Executive Report. He highlighted positive developments, including the nomination of the Las Palmas Oasis concession for an Airports Council International award, with winners scheduled to be announced on June 25, 2025, in Texas. He reported that Las Palmas Oasis had performed well and fostered a unique atmosphere. He noted that the Airport's credit rating agency had reaffirmed its report and commended staff. He further reported that the Airport had completed the transition of its aircraft rescue and firefighting vehicles from PFAS-containing foam to a fluorine-free agent, placing the Airport among the first to implement the change.

Commissioner Hedrick inquired about the Rental Car Facility P3 project and noted he did not see where the item would return to the Airport Commission prior to consideration by the City Council. Executive Director of Aviation Barrett asked in what context. Commissioner Hedrick stated it appeared that Airport staff would select a path forward and take it directly to the City Council.

Mr. Barrett stated that this had not been the case. He explained that the matter had been under review by Frasca and Associates, LLC (Frasca), the Airport's financial consultant, along with BBK Attorneys, who had been assisting with process and legal considerations. He reported that those firms had been reviewing all agreements and related issues touched by a potential P3 to determine feasibility and identify any roadblocks. He added that, once that assessment had been completed, anticipated in August 2025 a value-for-money analysis would be conducted to determine whether the project met the necessary financial metrics. He stated that the results would come to the Airport Commission for discussion of policy decisions affecting the airline rate base and the Airport's ability to retain certain revenues, after which the Airport Commission would make a recommendation to the City Council.

Commissioner Hedrick asked whether, while constructing, the Airport had also been considering adding the gates located behind it. Mr. Barrett responded that those gates had not been conceived within the Rental Car Facility effort due to the differing uses, potential implications for airside operations and legal agreements with a prospective investor, and recent findings about connectivity that staff had been working to resolve through planning. Commissioner Hedrick concluded by congratulating Airport staff on the A rating credit and stated that it had been an excellent achievement.

## **10. COMMISSIONERS REQUESTS AND REPORTS:**

Commissioner Berriman thanked everyone and stated appreciation for the work on the Master Plan and for the collaboration during two terms. Chairman Corcoran thanked the Commissioner Berriman and Commissioner Feltman for their service and extended appreciation to Airport staff and those in the audience. He noted that Commissioner Schoeffler would be welcomed next month.

Commissioner Banks recognized Commissioner McDermott for representing the Airport Commission at the prior evening's City Council meeting, where commissions citywide presented for approximately five minutes each, and he stated that her presentation had been the most informative.

Chairman confirmed that the next Airport Commission meeting had been scheduled for the July 16, 2025 at 4:00 P.M., and requested the calendar invitation to be updated from 5:30 P.M. to 4:00 P.M. He reminded members of the Noise Committee that it would meet at 3:00 P.M. prior to the Airport Commission meeting in July 2025.

## **11. REPORT OF COUNCIL ACTIONS:**

### **11.A Past City Council Actions**

**12. RECEIVE AND FILE:**

- 12.A** Airline Activity Report May 2025
- 12.B** Airline Activity Report Fiscal Year Comparison
- 12.C** Employment Update
- 12.D** Request For Proposal (RFP) and Invitation For Bid (IFB) Update

**13. COMMITTEES:**

- 13.A** Future Committee Meetings
- 13.B** Committees Roster

**14. ADJOURNMENT:**

The Airport Commission adjourned at 6:18 P.M. to a Regular Meeting on July 16, 2025, at 4:00 P.M.

  
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Tanya Perez  
Interim Executive Administrative Assistant

APPROVED BY AIRPORT COMMISSION: 9/17/25