



AIRPORT COMMISSION
AD-HOC DESIGN REVIEW COMMITTEE
Wednesday, December 18, 2024 – 4:30 P.M.

SUMMARY MINUTES

1. CALL TO ORDER:

Committee Chairman Corcoran called the Committee to order at 4:30 p.m.

2. POSTING OF AGENDA: Agenda posted on December 16, 2024.

3. ROLL CALL:

Committee Members Present: Corcoran, Feltman, Wise, Wiseman, and Young

Committee Members Absent: Burke

Staff Present:

Victoria Carpenter, Airport Administration Manager
Andrew LeCompte, Executive Administrative Assistant
Lowell Valencia-Miller, Executive Program Administrator
Tanya Perez, Administrative Specialist
Jeremy Holm, City Attorney

Others Present:

Alea LaRocque, WHSmith North America
Kim Miguel, WHSmith North America

4. ACCEPTANCE OF AGENDA:

ACTION: Accept the agenda as presented. **Moved by Committee Member Feltman and seconded by Committee Member Young and unanimously approved noting the absence of Committee Member Burke**

5. PUBLIC COMMENTS: None

6. ACTION AND DISCUSSION ITEMS:

8.A Retail Concession Update – WHSmith North America

Airport Administration Manager Carpenter presented this item. Ms. Carpenter stated that Chairman Corcoran had asked for this committee to convene to discuss concerns with Airport Retail Concessions. Chairman Corcoran asked Ms. LaRocque representative of WHSmith North America if she was involved with original contract discussions. Ms. LaRocque confirmed she was involved in contract discussions. Chairman Corcoran reminded Ms. LaRocque that there was an emphasis on having local Palm Springs brands and companies at the forefront of the retail concession locations at the Airport. Chairman Corcoran asked Ms. LaRocque if she thought this emphasis was being met at Airport retail concession locations. Ms. LaRocque explained her role with WHSmith and how it related to the Airport. Ms. LaRocque continued that the original agreement stated there would be heavy emphasis on local companies, however, there had been a challenge with inventory levels for local companies. Ms. LaRocque stated that there had not been enough inventory ordered by WHSmith and this had been the main driver behind low inventory levels. Ms. LaRocque stated that there were also some process issues. Chairman Corcoran asked what was causing process issues. Ms. LaRocque stated inventory issues could be attributed to a higher demand than initially expected. Ms. LaRocque explained that there were also logistical issues with obtaining local inventory. Ms. LaRocque also explained there was inventory counting issues that had contributed to low inventory issues for local products. Ms. LaRocque stated that when the local inventory was low, on-site retail concession staff would use national products to keep the shelves full, and this would skew the local product inventory percentages. Ms. LaRocque stated that it was identified that there was a Junior Buyer who did not order local inventory at the correct levels. Chairman Corcoran asked for confirmation that WHSmith holds weekly meeting to address the various challenges. Ms. LaRocque confirmed that weekly meetings were being held.

Chairman Corcoran inquired about generic national brand Palm Springs t-shirts that had generic logos and were of a low quality and why they were being sold and spot lighted in the retail concession spaces when they don't adhere to the image the Airport would like to convey to passengers. Chairman Corcoran also asked who oversaw the Airport's account why they were not addressing these issues and not being held accountable. Ms. LaRocque responded that Toby Keir, CEO of WHSmith had become involved with addressing the issue at the Airport. Ms. LaRocque continued that two individuals oversee the Airport's account: Simon Ellison, Chief Supply Chain Officer and Stuart Mitchell, Chief Commercial Officer. Ms. LaRocque stated that Mr. Ellison and Mr. Mitchell are planning to visit the Airport, and the retail concession spaces in January 2025. Ms. LaRocque also shared that the local person who managed the Airport's account was Melanie Pacoima, and she leads the local buying team. Ms. LaRocque shared that Stella Adena, local ABCDE Partner, had been appointed a liaison to local vendors.

Ms. Carpenter asked for more information on Ms. Adena's relationship with WHSmith. Ms. LaRocque stated that there was a Federal Aviation Administration (FAA) mandated Joint Adventure Entity for agreements with Airports. Ms. LaRocque continued that a Joint Adventure Entity was created, MRG Palm Springs, and Ms. Adena was a local ABCDE investor in MRG Palm Springs and had a 10% stake. Ms. Carpenter provided more information regarding Joint Adventure Entities and Investors. Ms. LaRocque shared that there was a disconnect with corporate buyers who are not local to Palm Springs, and this was what led to the issue of low-quality T-shirts that don't conform to Palm Springs quality and image standards. Ms. LaRocque continued that Ms. Adena, being local and having experience of managing local storefronts, could help address the T-shirt issue and other issues with local products. Commissioner Young asked what the lapse time between lack of local inventory and a solution. Ms. LaRocque stated that the local inventory issue was addressed immediately, and local stock was ordered and was in the process of being delivered. Regarding the T-shirt issue, Ms. LaRocque stated that it would take longer and that they would need to sell the stock on hand and redesigns were in progress. Commissioner Wiseman asked if there was software that gave notifications when stock was sold. Ms. LaRocque stated that there was and shared there were discrepancies with actual inventory numbers which led to order delays in some cases. Commissioner Feltman asked if local and national products had different accounting processes. Ms. LaRocque stated that national products come from their distribution centers and don't have the same issues as local products with inventory counts. Commissioner Feltman asked if the products in the retail concession stores marked as from California counted as local products or national products. Ms. LaRocque stated that only items made or from business owners of the local community are counted as local products.

Kim Miguel, representative of WHSmith North America, introduced herself and her perspective of the various issues. Chairman Corcoran asked for Ms. Carpenter's recommendation. Ms. Carpenter stated that she and Executive Program Administrator Valencia-Miller will continue to work with WHSmith directly to address ongoing issues and any new issues that may arise. Chairman Corcoran stated that a successful outcome would be new signage for local brands, full inventory of local merchandise, and local brands given prominence in retail locations. Commissioner Wiseman stated he would like to see local brands outpacing national brands. Commissioner Young stated he would like to see a rotation of local brands if possible. Commissioner Feltman reminded everyone that seasonality should be considered when making sure inventory levels are maintained. Ms. LaRocque and Ms. Miguel confirmed that local inventory was being delivered to address the previous low inventory issues. Commissioner Wise asked for monthly updates regarding metrics for local products. Commissioner Wiseman recommended that local inventory could be tied to local events. Chairman Corcoran asked for an update in February 2025 at the Ad-Hoc Design Review Committee meeting. Ms. Carpenter asked the WHSmith staff if they could provide monthly updates on local product metrics. Ms. LaRocque stated that she could provide quarterly updates on local product metrics.

7. COMMITTEE MEMBER REPORTS AND REQUESTS:

None.

8. ADJOURNMENT:

The Ad-Hoc Design Review Committee Meeting adjourned at 5:23 p.m.

A handwritten signature in black ink, appearing to read 'A. LeCompte', is written over a horizontal line.

Andrew LeCompte
Executive Administrative
Assistant

APPROVED BY AD-HOC COMMITTEE: 2/19/2025