



AIRPORT COMMISSION MEETING

Agenda Item Executive Summary

Airport Conference Room, Palm Springs International Airport
3400 E. Tahquitz Canyon Way, Palm Springs, CA 92262
Wednesday, February 21, 2024 - 5:30 P.M.

The following agenda items were distributed on the next regular business day after the Airport Commission agenda packet was distributed to the Airport Commission, and at least 24 hours prior to the Airport Commission meeting.

AGENDA ITEM 6 – Minutes

ATTACHMENT: October 18, 2023 Minutes

AGENDA ITEM 8.I – Concessions Update

ATTACHMENT: PSP Concession Projected Opening Dates

AGENDA ITEM 8.M – Projects and Airport Capital Improvement Program Update

ATTACHMENT: Projects and Airport Capital Improvement Program Update

AGENDA ITEM 9 – Executive Director Report

ATTACHMENT: Executive Director Report



AIRPORT COMMISSION MEETING AGENDA

Airport Conference Room, Palm Springs International Airport
 3400 E. Tahquitz Canyon Way, Palm Springs, CA 92262
 Wednesday, February 21, 2024 - 5:30 P.M.

To view/listen/participate in the meeting live, please contact Paula Pak at Paula.Pak@palmspringsca.gov or the following telephone number (760) 318-3832 to register for the Zoom meeting. There will be an email with Zoom credentials sent after registration is complete, in order to access the meeting and offer public comment.

In addition, the meeting will also be teleconferenced pursuant to Government Code Section 54953 from the following location(s):

TELECONFERENCE LOCATION(S):

Commissioner Keith Young – City of Rancho Mirage
 6 Kai Ala Drive
 Building 2, Departure Lounge
 Lahaina, HI 96761

Each location is accessible to the public, and members of the public may address the Airport Commission from any of the locations listed above. Any person who wishes to provide public testimony in public comments is requested to file a speaker card before the Public Comments portion of the meeting. You may submit your public comment to the Airport Commission electronically. Material may be emailed to: Paula.Pak@palmspringsca.gov - Transmittal prior to the start of the meeting is required. Any correspondence received during or after the meeting will be distributed to the Airport Commission and retained for the official record.

View Airport Commission meeting videos on the City's on [YouTube](#).

City of Palm Springs:		Riverside County:	City of Cathedral City:	City of Palm Desert:
Aftab Dada - Chair	David Feltman	Margaret Park	Tony Michaelis	Kevin Wiseman
Kevin J. Corcoran Vice Chair	J Craig Fong	City of Indian Wells: Robert Berriman	City of Coachella: Denise Delgado	City of Rancho Mirage: Keith Young
Vacant	Tracy Martin			
Todd Burke	M. Guillermo Suero	City of La Quinta: Kathleen Hughes	City of Desert Hot Springs: Jan Pye	City of Indio: Rick Wise
Daniel Caldwell	Dave Banks			
Palm Springs City Staff				
Scott C. Stiles		Harry Barrett Jr., A.A.E.		Jeremy Keating
City Manager		Airport Executive Director		Assistant Airport Director

- 1. CALL TO ORDER – PLEDGE OF ALLEGIANCE**
- 2. POSTING OF AGENDA**
- 3. ROLL CALL**
- 4. ACCEPTANCE OF AGENDA**
- 5. PUBLIC COMMENTS:** Limited to three minutes on any subject within the purview of the Commission
- 6. APPROVAL OF MINUTES:** Minutes of the Airport Commission Regular Meeting of October 18, 2023
- 7. INTRODUCTIONS AND PRESENTATIONS:**
 - 7.A** Paula Pak, Executive Administrative Assistant
- 8. DISCUSSION AND ACTION ITEMS:**
 - 8.A** Budget and Finance Committee Update
 - 8.B** Financial Consultant Agreement
 - 8.C** Financial Summary Update
 - 8.D** Operations, Properties and Facilities Committee Update
 - 8.E** Baggage Claim Expansion Update
 - 8.F** PSP Stay and Play Visitor Program
 - 8.G** Marketing Update
 - 8.H** Ad Hoc Design Review Committee Update
 - 8.I** Concessions Update
 - 8.J** Car Rental Car Wash Facility Noise
 - 8.K** Long-Term Vehicle Parking Data
 - 8.L** Wi-Fi Update
 - 8.M** Projects and Airport Capital Improvement Program Update
- 9. EXECUTIVE DIRECTOR REPORT**
- 10. COMMISSIONERS REQUESTS AND REPORTS**
- 11. REPORT OF COUNCIL ACTIONS:**
 - 11.A** Past City Council Actions
 - 11.B** Future City Council Actions
- 12. RECEIVE AND FILE:**
 - 12.A** Airline Activity Report January 2024
 - 12.B** Airline Activity Report Fiscal Year Comparison

13. COMMITTEES:

13.A Future Committee Meetings

13.B Committee’s and Airport Master Plan Working Group Roster

ADJOURNMENT:

The Airport Commission will adjourn to a Regular Meeting on March 20, 2024, at 5:30 P.M.

AFFIDAVIT OF POSTING

I, Harry Barrett, Jr., Airport Executive Director, City of Palm Springs, California, hereby certify this agenda was posted on February 15, 2024, in accordance with established policies and procedures.

PUBLIC NOTICES

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

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



AIRPORT COMMISSION

ACTION SUMMARY MINUTES OF REGULAR ADJOURNED MEETING

Wednesday, October 18, 2023 – 5:30 P.M.

1. CALL TO ORDER:

Chairman Dada called the Airport Commission Meeting to order at 5:33 P.M. and Chairman Dada lead the Pledge of Allegiance. The meeting was held in-person and via videoconference.

2. POSTING OF THE AGENDA: Posted on October 12, 2023.

3. ROLL CALL:

Commissioners Present:

Gerald Adams (Palm Springs)	Kathleen Hughes (La Quinta)
Dave Banks (Palm Springs)	Tracy Martin (Palm Springs)
Robert Berriman (Indian Wells)	Tony Michaelis (Cathedral City)
Daniel Caldwell (Palm Springs)	Margaret Park (Riverside County)
Kevin Corcoran (Palm Springs) - Vice Chair	Jan Pye (Desert Hot Springs)
Aftab Dada (Palm Springs) - Chair	M Guillermo Suero (Palm Springs)
Denise Delgado (Coachella)	Rick Wise (Indio)
David Feltman (Palm Springs)	Kevin Wiseman (Palm Desert)
J Craig Fong (Palm Springs)	Keith Young (Rancho Mirage)

Commissioners Absent: Todd Burke (Palm Springs)

Staff Present:

Jeremy Keating, Assistant Airport Director
 Daniel Meier, Deputy Director of Aviation, Marketing and Air Service
 Victoria Carpenter, Airport Administration Manager
 Jake Ingrassia, Communications and Marketing Specialist
 Kristopher Mooney, Finance Director
 Oscar Verdugo, City Attorney
 Christina Brown, Executive Program Administrator

4. ACCEPTANCE OF THE AGENDA:

ACTION: Accept the Agenda as presented. **Moved by Commissioner Michaelis, seconded by Commissioner Park, and unanimously approved noting the absence of Commissioner Burke.**

5. **PUBLIC COMMENTS:** None

6. **APPROVAL OF THE MINUTES:**

ACTION: Approve the minutes of the Airport Commission Meeting of May 17, 2023 with corrections. **Moved by Commissioner Pye, seconded by Commissioner Wise and approved by the following roll call vote: 14 Yes; 4 Abstain; and noting the absence of Commissioner Burke.**

7. **INTRODUCTIONS AND PRESENTATIONS:**

7.A Airport Commissioner Dave Banks (Palm Springs)

Chairman Dada introduced newly appointed Airport Commissioner Dave Banks (Palm Springs). Commissioner Banks noted that he had worked for Microsoft for over 20 years, he now works in acquisitions, and he was excited to be serving on the Airport Commission.

7.B Jake Ingrassia, Communications and Marketing Specialist

Chairman Dada introduced the Airport's new Communications and Marketing Specialist Jake Ingrassia. Mr. Ingrassia noted that he had been a television reporter with KESQ News Channel 3 in the Coachella Valley for five and half years. He said that he knows the community and the Airport very well and that he is excited to be representing the Airport.

7.C Interim City Attorney Oscar Verdugo

Chairman Dada introduced the Airport's Interim City Attorney Oscar Verdugo. Mr. Verdugo noted that he is an associate with Best Best & Krieger, he said that he was born and raised in the Coachella Valley and that he was excited to be working with the Airport.

8. **DISCUSSION AND ACTION ITEMS:**

8.A Measure J

Vice Chairman Corcoran noted that the Commission had been notified at the September meeting that the Airport currently has \$1.3 million available in Measure J Funds. Finance Director Kristopher Mooney advised the Commission that the Airport will have \$1.5 million available in Measure J Funds as of December. Vice Chairman Corcoran said that the Commission and the Airport staff had been asked to provide additional recommendations for potential investments that could benefit from the Measure J Funds, and the Commission would be reviewing the list of proposed projects from the Commission and staff.

Vice Chairman Corcoran inquired about the proposal to fund Shade Area Phase 1 – TSA & RJ Concourse Seating when the project was already in progress. Assistant Airport Director Keating explained that the total cost of the project was \$240,000, a grant from Visit Greater Palm Springs was paying for \$100,000 of the project, and the Airport was responsible for the remaining balance of \$140,000. Vice Chairman Corcoran asked if the Airport had budgeted for the \$140,000, and Mr. Keating confirmed that the \$140,000 had been budgeted. Vice Chairman Corcoran asked staff if they would agree that projects that had already been budgeted should not be included in the discussion. Airport Administration Manager clarified that the design construction for the shade structures and the Wi-Fi were in the budget for this fiscal year.

Vice Chairman Corcoran said that he had recalled that staff was going to remove the budgeted projects from the list, he noted that he recognized that the Wi-Fi project is important, and he inquired about the completion of the Wi-Fi project. Mr. Keating said that he hadn't received a date of completion from the IT Department, and he said that the IT Department was making progress on the project and that he believed that the IT Department would soon be asking the City Council to approve the procurement of Wi-Fi equipment. Vice Chairman Corcoran said that he was going to remove everything except the shade structures for the Uber, Lyft and Taxi pickup area from the section of proposed projects by staff and Commission.

In regard to the proposed Mid-century outdoor seating benches, circular benches, interior benches, and cement planting structures, Commissioner Adams recommended that the Commission keep in mind that each of the projects that were being proposed should be relevant to the Airport's Master Plan, and the projects should be able to be utilized long-term. He referred to the mid-century outdoor seating benches, and he said that the original manufacture was still making the benches and that they could duplicate the Airport's original benches. Commissioner Adams said the quotes he has sent to staff for each of the proposed items came to a total of \$84,000, and he said that the items would be long lasting and historically appropriate.

Vice Chairman Corcoran said that he was in favor of the water fill stations for \$50,000, and he asked Mr. Keating to review the list of proposed projects by staff. Mr. Keating reviewed the 14 projects that staff was proposing. Vice Chairman Corcoran noted that the Commission has \$1.5 million to spend on a project, and he recommended that the Commission take into consideration the projects that would have the greatest impact on the Airport's customer experience.

Commissioner Park asked staff to provide their top three project recommendations. Mr. Keating said that shade structures, restroom renovations, and Wi-Fi would be the staff's top three projects. Deputy Director of Aviation, Marketing and Air Service Meiers noted that the top three complaints that are received from Airport customers are in regard to the appearance of the restrooms and the carpet and the need for shade structures.

Commissioner Martin questioned why projects such as floor repair were being listed as a proposed project when floor repair would be a normal maintenance repair that would already be in the budget. Mr. Keating said that by using the Measure J funds, it would free up some of the budgeted funds which could be used for other projects, and he said that there was a significant demand for shade structures.

Commissioner Young asked if it would be useful for the Commission to support funding the projects that were already high-level priorities and that would otherwise be funded somehow to give staff financial flexibility for an unforeseen project in the future. Vice Chairman Corcoran said that he did not in support using Measure J funds on projects that have or will have the funds available in the budget. Commissioner Young asked staff to review the projects that would not automatically be funded in the budget and that would be meaningfully contribute to the customer experience. Mr. Keating suggested the shade structure project.

Commissioner Banks asked if the parking revenue system would create more revenue for the Airport or if the system was meant to create a better parking experience. Mr. Keating said that the parking revenue system would create more revenue and it would also improve the parking experience. Commissioner Wiseman asked for clarification on the intent of the Measure J tax, and Chairman Dada said that the intent was for the tax to be used to create a good customer experience.

Commissioner Wise requested that staff provide a project list that groups the projects according to if they are budgeted, partially budgeted, or not budgeted. Commissioner Caldwell asked if the Measure J funds could be used for marketing. Chairman Dada said that the Measure J funds must be used for capital improvement projects. Vice Chairman Corcoran asked staff to review the projects that were budgeted so that the Commission could narrow the project list down to the projects that weren't budgeted. Ms. Carpenter reviewed the projects, and she noted if the project was budgeted, partially budgeted, or not budgeted.

Chairman Dada voiced his support for funding the shade structures for the Uber/Lyft/Taxi pickup area. Vice Chairman Corcoran asked the Commissioners if there was a consensus to use the Measure J funds to fund the \$1 million Shade Structure - Uber/Lyft/Taxi Project, and the majority of the Commission were agreeable to using the Measure J funds to fund the \$1 million Shade Structure - Uber/Lyft/Taxi Project with the exception of Commissioner Feltman who asked why the cost of the Shade Structure - Uber/Lyft/Taxi Project was so much higher than the Shade Area Phase 1 - TSA & RJ Seating – Paradise Project. Vice Chairman Corcoran explained that the Shade Structure - Uber/Lyft/Taxi Project would require a much larger shade structure.

Commissioner Wiseman proposed also using the Measure J funds to fund the Carpet Replacement - Main Terminal Lobby and Security Check Point Project and the Water Fill Stations Project. Commissioner Fong inquired about the Conference/Meeting

Rooms Project, and he asked if the project would generate revenue. Ms. Carpenter explained that the project would improve the Airport conference room's audio and video capabilities, and she said that the project could be revenue generating because the Airport could rent the room out to the airlines and Airport tenants. Vice Chairman Corcoran noted that the project would not have an impact on the Airport's customer experience.

Commissioner Adams proposed also using the Measure J funds for the Mid-Century Outdoor Seating Benches, Circular Bench, Interior Benches, and Cement Planting Structures Project. Commissioner Young proposed also using the Measure J funds for the Charging Stations Inside the Concourses Project. Vice Chairman Corcoran asked if the cost of the charging station project was correctly listed for \$1 million. Mr. Keating said that the project would most likely require trenching through the flooring because the Airport doesn't have the necessary outlets throughout the concourses. Vice Chairman Corcoran noted that the project could be addressed in the Airport's Master Plan.

Finance Director Mooney said that he wanted to make sure that the Commission was comfortable with the estimated cost of \$1 million for the Shade Structure - Uber/Lyft/Taxi Project, and he noted that currently, the cost of projects were typically coming in way over what was estimated, and he wanted to make sure that there is sufficient funds to pay for the project. He voiced his support for the shade structure project, and he said that he believed that the Measure J Oversight Commission would also support the project. Mr. Mooney suggested that any additional projects chosen by the Commission be listed as optional projects. Vice Chairman Corcoran said that the Commission would list the projects out by priority.

Vice Chairman Corcoran asked staff if the Airport could fund some of the cost for the carpet replacement project, and he proposed the following four projects in order by priority:

1. Shade Structure - Uber/Lyft/Taxi Project - \$1 million
2. Water Fill Stations Project - \$50,000
3. Carpet Replacement - Main Terminal Lobby and Security Check Point Project - \$400,000
4. Mid-Century Outdoor Seating Benches, Circular Bench, Interior Benches, and Cement Planting Structures Project - \$100,000

Commissioner Park said that she would prefer to have the Carpet Replacement - Main Terminal Lobby and Security Check Point Project listed as the second priority because the rips and tears in the carpet were a liability for the Airport. Vice Chairman Corcoran said he disagreed, and he said that the Airport should have to pay for part of the carpet. Commissioner Park said that she believed that this was a great opportunity to

expedite the carpet replacement, especially when there were negative comments being posted on social media about the appearance of the Airport's carpet which reflects poorly on the building. Vice Chairman Corcoran asked staff if the Commission were to approve a portion of the carpet replacement be funded by the Measure J funds, would staff be willing to fund the balance. Mr. Keating said that the Airport could fund the balance.

Vice Chairman Corcoran reviewed the revised projects in order by priority:

1. Shade Structure - Uber/Lyft/Taxi Project - \$1 million
2. Carpet Replacement - Main Terminal Lobby and Security Check Point Project - \$400,000
3. Water Fill Stations Project - \$50,000
4. Mid-Century Outdoor Seating Benches, Circular Bench, Interior Benches, and Cement Planting Structures Project - \$100,000

ACTION: To recommend the four proposed projects to the Measure J Oversight Commission. **Moved by Commissioner Wise, seconded by Commissioner Young and unanimously approved.**

8.B Airport Master Plan Update

Assistant Airport Director Keating reported that the Airport Master Plan public open house was held on September 19th, there were approximately 160 attendees, 875 unique users visited the Airport Master Plan website, 400 visitors downloaded the Master Plan documents, and 42 comments were received. He said that the Master Plan Working Group met on October 12th to continue working on the refinement of the terminal concepts.

Vice Chairman Corcoran said that there were five proposed terminal design concepts, and based on the feedback, the Master Plan Working Group had narrowed it down to two designs. He said that the two designs were completely different were one design would renovate the main terminal, the Bono Concourse would remain the same, and an international terminal would be added to the north, and the other design which would be to build a new airport on the South side, and the Wexler terminal would become something else like a museum. Vice Chairman Corcoran noted that the design to rebuild the Airport would cost a lot more money and it would cost less to operate, and he said that staff was proposing to present the terminal design concepts to the Commission at a special meeting in December and the Commissioners should review terminal design concepts 1A and 3 which were available on the Airport's Master Plan webpage.

Commissioner Fong asked if both designs have 32 gates. Vice Chairman Corcoran confirmed that both designs have 32 gates and that both projects would have multiple project phasing.

8.C Marketing and Air Service Update

Vice Chairman Corcoran noted that the Marketing and Air Service Update had been provided in the agenda packet, and he asked Deputy Director of Aviation, Marketing and Air Service Meier to review Communications and Marketing Specialist Ingrassia's responsibilities and how the scope of Mr. Ingrassia's position is relative to Mr. Meier's position. Mr. Meier said that Mr. Ingrassia would be handling the communications work from media to social media and the community engagement events, and he would be reporting to Mr. Meier. Vice Chairman Corcoran said that the work that the Marketing team has been putting out has been really good, clever and classy.

8.D Turo

Airport Administration Manager Carpenter said that staff was requesting that the Airport Commission take action and recommend to the City Council the approval of an annual agreement with Turo for peer-to-peer vehicle sharing services at the Airport. She said that an annual agreement with Turo would contribute significant non-aeronautical revenue to the Airport, and indirectly, the funding would play a pivotal role in funding the Airport's future capital projects due to the agreement having a competitive 10% gross revenue share to the Airport.

Ms. Carpenter said that in order to provide convenient options for the Airport's passengers, staff has designated two parking spaces in the Airport's commercial vehicle lane for Turo to use and that Turo could also park vehicles in the public parking lots which would generate additional parking revenue for the Airport. She said that she had reached out to neighboring Airports such as Ontario, LAX, and San Diego to confirm that the 10% gross revenue share was the industry standard, and she noted that Governor Newsome had mandated a requirement for Turo to have operating agreements with the airports that they are operating out of by July 2024 and that Turo had reached out to Airport staff in good faith.

Ms. Carpenter said that she was estimating that Turo would have approximately 1,500 transactions a month during the peak season and 450 to 600 transactions per month in the low season which could bring the Airport about \$400,000 in revenue for the year. Commissioner Wise inquired about the location of the two designated parking spaces. Ms. Carpenter explained that the two parking spaces were adjacent and further south from the Uber and Lyft pick up area. Commissioner Wise asked how long the vehicles would be allowed to park in the designated spaces. Ms. Carpenter said that the vehicles were allowed to park in the designated spaces for less than 24 hours.

Commissioner Young asked Ms. Carpenter if the Turo agreement would bring significantly more vehicles to the public parking lots. Ms. Carpenter explained that the Turo vehicles were meant to have a quick turnaround period and that it was more likely Turo would be utilizing the public parking lots at the hourly rate versus the 24-hour period rate, and she said that staff would be watching Turo's activity over the next year.

Commissioner Wiseman noted that if Turo were to use the free parking that was located at City Hall or street parking, it could affect the projected parking revenue, and he asked how Turo's gross revenue share compares to the revenue received from the car rental companies. Ms. Carpenter said that the car rental companies also pay a 10% gross revenue share, and she noted that Turo wouldn't be required to pay the CFC's that the rental car companies are required to pay, which was in line with the neighboring airports. She said that staff purposely chose to enter into a one-year agreement so that staff could reevaluate Turo's fees each year.

Commissioner Fong voiced his concern in regard to how the agreement with Turo would impact the Airport's parking lots, and he asked if staff had an idea of how many vehicles could be left in the parking lot overnight. Ms. Carpenter said that it was a possibility that the vehicles could be left in the parking lot overnight, and she said that the Airport's parking management company ABM would be monitoring the vehicles for any activity that is in violation of the agreement, ABM would notify staff, staff would notify Turo, and Turo would remedy the situation by reprimanding, fining, or removing a user.

Commissioner Feltman asked staff to make sure that the designated signage is implemented before Turo begins providing their services which affects the driving and parking experience at the Airport. Commissioner Martin asked if it was staff's expectation that the \$400,000 from Turo would be incremental new money or would it be cannibalizing existing rental car money. Ms. Carpenter noted that Commissioner Wiseman had pointed out at a previous meeting that Turo had been operating at the Airport since at least 2021 and that she believed that the money would be new money.

Commissioner Wiseman said that he believed that it was a bit unfair that Turo gets a different deal than the rental car companies which maybe the parking revenue compensates the Airport for the difference in CFC revenue, he said that he would like to see those things be equal, he reiterated Commissioner Fong's concern about Turo impacting the parking during the high peak demands, and he suggested that staff require Turo to park in the parking lots that are further away rather than being allowed to park in the parking lots that are closer to the terminal.

Chairman Dada exited the meeting at 6:32 p.m.

ACTION: To recommend to City Council the approval of a one-year agreement with Turo that is to be reviewed and approved on an annual basis by the Executive Director

of Aviation. **Moved by Commissioner Young, seconded by Commissioner Park and approved by the following roll call vote: 16- Yes; 1 – Abstain; and noting the absence of Chairman Dada and Commissioner Burke.**

8.E Financial Summary Update

Vice Chairman Corcoran noted that the Financial Summary Update was provided in the agenda packet, and Airport Administration Manager Carpenter said that the Airport was doing very well financially.

8.F Concessions Update

Airport Assistant Director Keating noted that the updated concession projected opening dates schedule was provided in the agenda packet, and he noted that the schedules for The Pink Door and I Heart PSP had moved out slightly on the schedule which was due to only one contractor bidding on the project, and the project had to be rebid. He said that El Mirasol and Coachella Valley Coffee were currently under construction, and the barricade for Nine Cities was put in place last week.

Vice Chairman Corcoran inquired about the signage that promotes the new concessions. Deputy Director of Aviation, Marketing and Air Service Meier said that staff was working with Paradies and The Marshall Retail Group (MRG), and he said that the 40-foot barricade for Las Palmas Oasis would include numerous coming soon information and logos for each of the concourses. He said that more signs had been ordered with the information for the stores that were open during construction that also include a QR code to a terminal map and directions and that the signs would be arriving within the next two weeks. Mr. Meier said that he would also be putting up some temporary signs that would be placed in front of the locations that were under construction that would also direct passengers to the locations that were open, and he said that staff was also continuously updating the website with the most current concessions information.

Vice Chairman Corcoran noted that the Ad Hoc Design Review Committee that included himself and Commissioners Adams, Burke, Feltman, and Wiseman had been created to work with staff, Paradies, and MRG on the naming, design, and concession products that would be sold at the Airport. He said that one of the things that was important to the Ad Hoc Design Review Committee was that there was significant commitment to local brands and products for both the retail and food and beverage concessions.

Vice Chairman Corcoran said that MRG held a public session on that day at Visit Greater Palm Springs for retail vendors to present their products to MRG. He said that 60 vendors were at the session, and MRG reviewed the overall objectives of the vendors, and they ensured that the products were centric to the desert and specifically to Palm Springs. Vice Chairman Corcoran said that he thought that MRG had done a

fabulous job reflecting the priorities that the Commission had set out and explaining to the vendors what works in an airport and what doesn't work in an airport. He said that the MRG team was right on message and that MRG's general manager David Hoffman was stellar.

8.G Projects and Airport Capital Improvement Program Update

Executive Program Administrator Brown noted that the update had been provided in the agenda packet by Airport Executive Director Barrett. Vice Chairman Corcoran asked if there were any projects that were having issues with getting permits. Mr. Keating confirmed that there had been some delays with getting permits due to a new permitting system and staff, he said that the new Building Official was trying to do his best to help staff, and the Airport staff was meeting weekly with the Building Department staff to help move the permitting process forward for the concessions projects. Vice Chairman Corcoran asked staff to report back on the permitting situation at the next Commission meeting.

9. EXECUTIVE DIRECTOR REPORT:

Vice Chairman Corcoran noted that Airport Executive Director Barrett had provided the report in the agenda packet.

10. COMMISSIONERS REQUESTS AND REPORTS:

Vice Chairman Corcoran reported that staff was proposing to hold a special meeting on Wednesday, December 6th from 1:00 p.m. to 4:00 p.m. Executive Program Administrator Brown explained that the intent of the special meeting would be for staff to provide a strategic planning session update on the projects that the Commission had prioritized at the original strategic planning session, and it was staff's plan to provide a more in-depth strategic planning session in December 2024 and that the departments would be presenting their goals and how they would be achieving their goals. Ms. Brown explained that staff needed the additional time to enter into an on-call contract for planning services, and the on-call planner would help staff facilitate the strategic planning session. Vice Chairman Corcoran noted that staff would also be presenting the Airport Master Plan terminal design concepts at the special meeting on December 6th.

Vice Chairman Corcoran inquired about the Airport Job Fair. Ms. Carpenter said that the Airport was hosting a Job Fair on Tuesday, October 24th at the Palm Springs Convention Center from 10:00 a.m. to 4:00 p.m. and that there would be 10 different Airport tenants and the City of Palm Springs at the Job Fair to promote a 100 open positions. She said that there would be on the spot interviews, she encouraged the Commissioners to spread the word, and she said that Communications and Marketing Specialist Ingrassia had prepared a media report for the Job Fair. Deputy Director of Aviation, Marketing and Air Service Meiers said that the media report had gone out

that morning and that that the event was also being promoted on both Facebook and LinkedIn.

Commissioner Feltman requested that the Commissioners receive courtesy announcements and emails about Airport media announcements prior to the press releases going out to the public, and he said that the announcement of the hiring of Communications and Marketing Specialists Ingrassia was surprising to him and several others and that the same has happened on airline announcements. Mr. Meier said that the full Commission is emailed at the same time the press releases are sent to the media, and he said that the Airport did not issue a press release for the hiring of Mr. Ingrassia, and he explained that the news article was independently conducted by the news outlet.

Vice Chairman Corcoran said that he and others received a lot of flack about not knowing ahead of time about the hiring of Mr. Ingrassia because he is such a presence in the community which he thought was a mistake, he noted that the Commission was not notified by staff about the Rancho Relaxo outreach to vendors, and he asked if staff could agree to notify the Commission first, and if staff was agreeable, could Mr. Meier be held responsible to make sure that there were no surprises for anything that has to do with the Airport. Mr. Meier said that he learned about the Rancho Relaxo event at the same time that the Commission learned about the event, and he said that he would continue to send the press releases to the Commission.

Assistant Airport Director Keating said that it could be difficult in some situations to determine what the Commission should or should not be notified about, and Mr. Meier noted that airline announcements were extremely sensitive. Mr. Keating said that staff would need to discuss the matter further with Airport Executive Director Barrett to discuss the parameters of what information should be released to the Commission first because staff was dealing with a significant amount of information. Mr. Meier noted that typically, the Commission isn't notified about staffing decisions.

Vice Chairman Corcoran asked staff to error on the side of communication. He said that the Rancho Relaxo situation was totally inappropriate because someone from staff had to know about the event and as important as the concessions are, someone should have notified the Commission, and he said that if it is important, or you don't know, send the information out to let the Commission know what is going on. Mr. Keating said that staff would make a better attempt to communicate with the Commission.

11. REPORT OF CITY COUNCIL ACTIONS:

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

12. RECEIVE AND FILE:

- 12.A Airlines Activity Report September 2023
- 12.B Airline Activity Report Fiscal Year Comparison

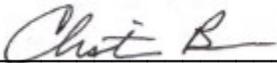
13. COMMITTEES:

- 13.A Future Committee Meetings

Vice Chairman Corcoran reported that Commissioner Adams had agreed to Chair the Budget and Finance Committee.

ADJOURNMENT:

The Airport Commission adjourned at 7:01 P.M. to a Regular Meeting on November 15, 2023, at 5:30 P.M.



Christina Brown
Executive Program Administrator



AIRPORT COMMISSION STAFF REPORT

DATE: FEBRUARY 21, 2024

SUBJECT: RECOMMEND THE APPROVAL OF A CONTRACT SERVICE AGREEMENT FOR FINANCIAL CONSULTING SERVICES FOR THE PALM SPRINGS INTERNATIONAL AIRPORT

FROM: Harry Barrett, Jr., Airport Executive Director

SUMMARY:

Palm Springs International Airport proposes to recommend to City Council the approval of a contract services agreement to provide financial consulting services to the Palm Springs International Airport (Airport).

RECOMMENDATION:

This action will recommend to City Council the approval of Contract Services Agreement No. 24P031 (**Attachment A**) with Frasca & Associates, LLC. to provide financial consulting services on an on-call basis for an amount not to exceed \$3,500,000 over a five-year term.

BACKGROUND:

Currently, the Airport is served by 12 airlines that provide year-round and seasonal nonstop flights to more than 30 destinations. On, July 1, 2023, PSP entered into a five-year Airport Use and Lease Agreement (AULA) with the airlines. Historically, the Airport's airport-wide residual ratemaking methodology has been in effect for approximately 20 years; however, the Airport switched from a residual ratemaking methodology to a hybrid approach, allowing the Airport to retain a portion of non-airline revenues for purposes of meeting future capital needs and attain greater flexibility for capital investment decisions. Based upon negotiations with the current AULA Signatory Airlines, the new AULA will use a hybrid approach for setting airline rates and charges whereby the airline landing fee will be based on a residual ratemaking approach while the terminal rental rate will be calculated using a compensatory approach. In addition, the City will share 50 percent of year-end net remaining revenues with the airlines based on annual audited financial and operational data. The AULA along with the Airports non-aeronautical revenues will aid in the future investments of the Airport therefore, the Airport requires regular communications with its financial consulting service provider for consultation, guidance, and assistance.

In addition, the Airport is currently finalizing a Master Plan update with the focus on the Airport's terminal area, airside and landside. As a result of the planning process, the Airport requires professional airport financial consulting services to provide critical support for comprehensive strategic financial planning to support the changes to the airport. The Airport requires financial service providers to assist with the timely implementation of financial objectives in a dynamic and fast paced environment. The Airport's five-year capital projects consist of approximately 33 projects totaling approximately \$656.6 million.

STAFF ANALYSIS:

On November 13, 2023, the Procurement and Contracting Department issued Request for Proposals 48-23 for Financial Consulting Services for Palm Springs International Airport. The following firms submitted qualifications for consideration by the December 20, 2023 deadline:

- Frasca & Associates, LLC – New York, NY
- Ricondo & Associates, Inc. – Chicago, IL
- RS&H California – Los Angeles, CA
- Unison Consulting, Inc. – Chicago, IL

An evaluation committee consisting of City staff from the Palm Springs International Airport and City's Finance Department along with outside Airport finance staff from San Diego and Long Beach Airports reviewed and scored the proposals received against the criteria published in the Request for Proposals. The Evaluation Committee then interviewed all four firms as they were all highly qualified and scored the interviews. The proposal scores and interview scores were combined to determine the final ranking.

Staff recommends awarding the contract to the highest ranked firm Frasca & Associates, LLC to provide financial consulting services to the Airport over the next five years.

ENVIRONMENTAL ASSESSMENT:

The requested City Council action is not a "Project" as defined by the California Environmental Quality Act (CEQA). Pursuant to Section 15378(a), a "Project" means the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. The requested action is to approve contracts for the above-mentioned services, and is exempt from CEQA pursuant to Section 15378(b), in that a "Project" does not include: (5) Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

FISCAL IMPACT:

Sufficient funds are budgeted and available in the current fiscal year in the Department of Aviation Administration Account 4157020.40105.

Harry Barrett, Jr., A.A.E
Airport Executive Director



Firm Introduction and Work Outlook

Palm Springs International Airport Commission

February 20, 2024



FRASCA & ASSOCIATES, LLC

FRASCA Team Introduction



Project Manager

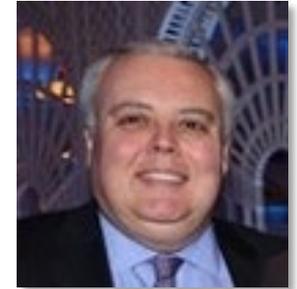
Matt Townsend, Director, Houston

- Project Manager & Day-to-Day Contact
- Responsible for all services requested by the City
- 19 years of Airport Finance experience

Project Director

Ken Cushine, Principal, NYC

- Responsible for all services requested by the City
- 33 years of Airport Finance experience



Key Staff Members



Tim McNutt, Director, NYC

- Financial advisory and transaction lead
- 21 years of Airport Finance experience

Anderson Bannard, Associate, NYC

- Lead analyst
- 5 years of Airport Finance experience



Subject Matter Experts / Supplemental Staff

Gisela Shanahan, Managing Director, Denver

- Financial strategy and planning
- Public-private partnerships (P3s)
- 17 years of Airport Finance experience

Nora Richardson, Director, Ft. Worth

- PFC and federal funding assistance
- 22 years of Airport Finance experience

Additional Subject-Matter Experts and Analytical Support

- 12 additional staff available to serve as subject matter experts and respond to changing workload demands

FRASCA Firm Introduction

- Strategic Capital Program Financial Planning
- Debt Issuance and Management
- Airline Rates and Charges
- PFC Applications and Strategies
- Other Federal Funding Programs (AIP and BIL)
- Concession and Other Nonairline Agreements
- Rental Car Negotiations and CFC Strategies
- Financial and Management Reporting
- Benchmarking and Best Practices
- Air Traffic Analyses and Forecasting

FRASCA'S Airport Clients



JOHN WAYNE AIRPORT
ORANGE COUNTY



FRASCA Is the Leading Airport Financial Advisor

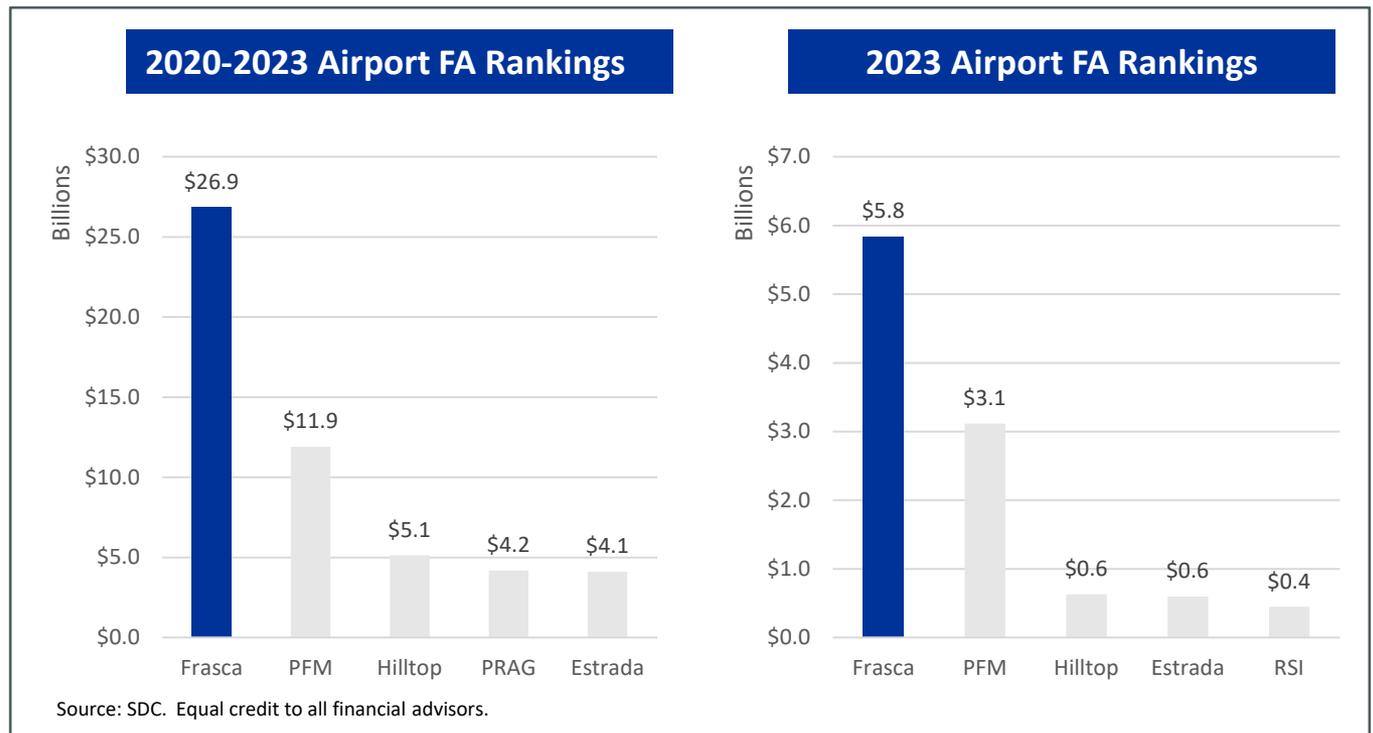
- Certified Municipal Advisor with the MSRB and SEC**
- All PSP Team Members MSRB Series 50 Municipal Advisor Certified
- Financial Metrics and Policies
- Debt Structuring
- Short-Term and Interim Financing Strategies
- Bond Documents
- Rating Agency and Investor Strategies

THE BOND BUYER

SELL SIDE

Financial advisory firm Frasca still flying high after 20 years

By [Chip Barnett](#) April 18, 2017, 12:07 p.m. EDT 7 Min Read



Anticipated Near-Term Work Efforts

- ❑ **FRASCA is ready to support PSP immediately with near-term (next 60 days) tasks**

Task	Description	Expected timing
FY 2024 Midyear Rates and Charges Calculations <i>(Section 6.04 of AULA)</i>	<ul style="list-style-type: none"> Recalculate rates and charges based on midyear estimates of revenues, expenses, and activity to ensure that rents, fees, and charges are not expected to vary by more than 10% from budget If calculations confirm 10% variance, implement adjusted rates after 30-day notice to airlines 	[March 15]
FY 2024 End-of-Year Days Cash on Hand Forecasts <i>(Section 6.07 of AULA)</i>	<ul style="list-style-type: none"> Forecast expected end-of-year days cash on hand under various CIP implementation scenarios incorporating FY 2024 midyear estimates Develop strategy for maximizing PSP liquidity ahead of expected FY 2025 capital and operating requirements 	[April 15]

Anticipated Near-Term Work Efforts *(continued)*

- ❑ **FRASCA is ready to support PSP immediately with near-term (next 60 days) tasks**

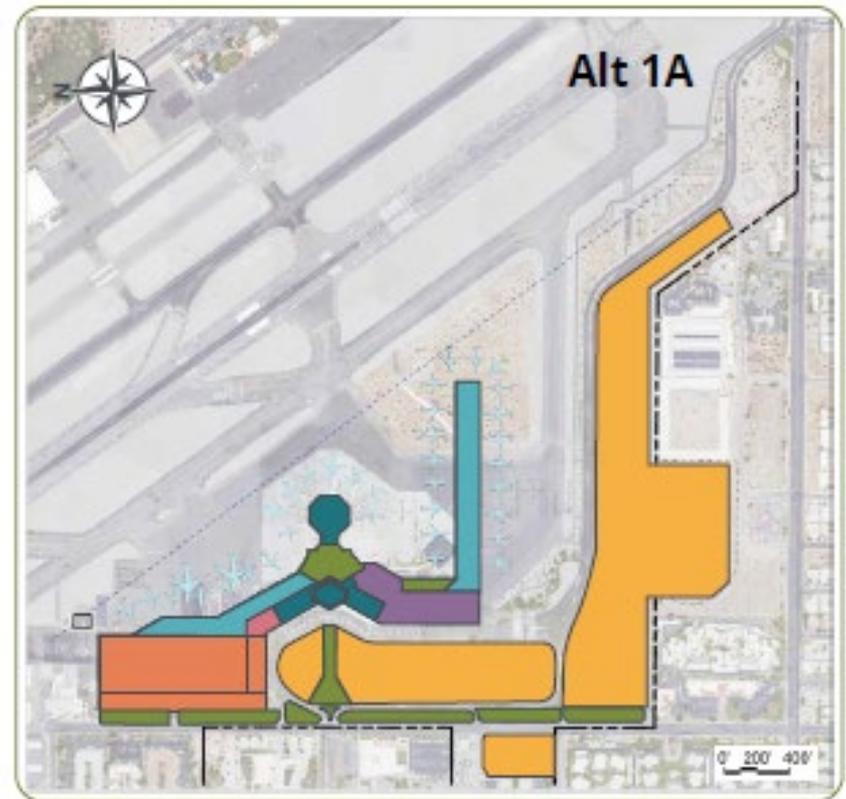
Task	Description	Expected timing
FY 2025 Budgeted Rates and Charges Calculations <i>(Sections 6.03 and 4.03 of AULA)</i>	<ul style="list-style-type: none"> • Prepare aviation activity forecasts based on airline submissions • Support budget preparation and analyses • Calculate FY 2025 rates and charges in conformance with AULA provisions • Prepare required airline notice for capital project review (MII) 	[March-May]
Concession/Lease RFP Support	<ul style="list-style-type: none"> • Assist with 1-year extension of rental car concession agreement and begin planning for successor agreement • Support ATM RFP development and evaluation 	Ongoing
PFC Program Management Support	<ul style="list-style-type: none"> • Assist with amendment of Terminal Expansion Phase I PFC application • Begin planning and strategy for new PFC application 	Ongoing
Master Plan Financial Planning Support	<ul style="list-style-type: none"> • Support Master Plan financial planning strategy 	Ongoing

Anticipated Longer-Term Work Efforts

- ❑ **FY 2025 work is expected to focus on long-term capital planning, continued AULA management, and other business and financial planning**
 - ✓ FY 2024 Rates and Charges Settlement (Section 6.05 of AULA)
 - ✓ Capital Program Financial Planning
 - ✓ Development of financial policies and targets in support of anticipated financings
 - ✓ Pro forma financial projections under various scenarios of CIP projects, funding plans, air traffic activity, and other key variables
 - ✓ Rental Car Concession Negotiations and RFP Support
 - ✓ Other Lease Agreement Support

Anticipated Longer-Term Work Efforts

- ❑ Longer-term work expected to largely center on implementation of Capital Improvement Program
 - ✓ CONRAC
 - ✓ Terminal Expansion
 - ✓ FIS
 - ✓ Revenue Bond Financings
 - ✓ Successor AULA Negotiations
 - ✓ Ongoing general financial and business planning support





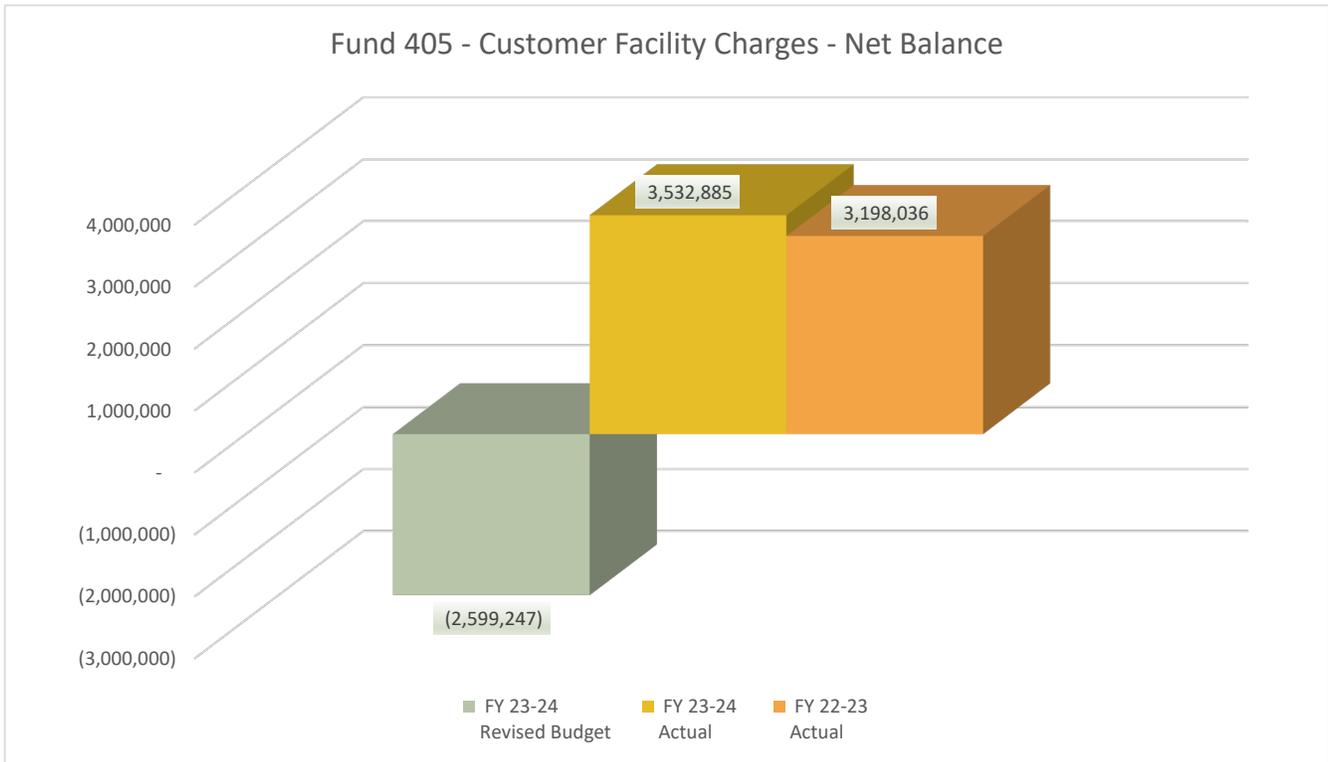
THANK YOU!



FRASCA & ASSOCIATES, LLC

CITY OF PALM SPRINGS
PALM SPRINGS INTERNATIONAL AIRPORT
 Financial Summary
 Ending January 31, 2024

Fund 405 - Customer Facility Charges	FY 23-24 Revised Budget	FY 23-24 Actual	FY 23-24 % Of Budget	FY 22-23 Actual	FY 22-23 vs FY 23-24 % Change
Operating Revenue	9,181,327	3,532,885	38%	3,198,036	10%
Operating Expenditures	11,780,574	-	0%	-	0%
Surplus / (Deficit)	(2,599,247)	3,532,885	-136%	3,198,036	-10%



Fund 405 is the airports fund for customer facility charges (CFC).

Revenues

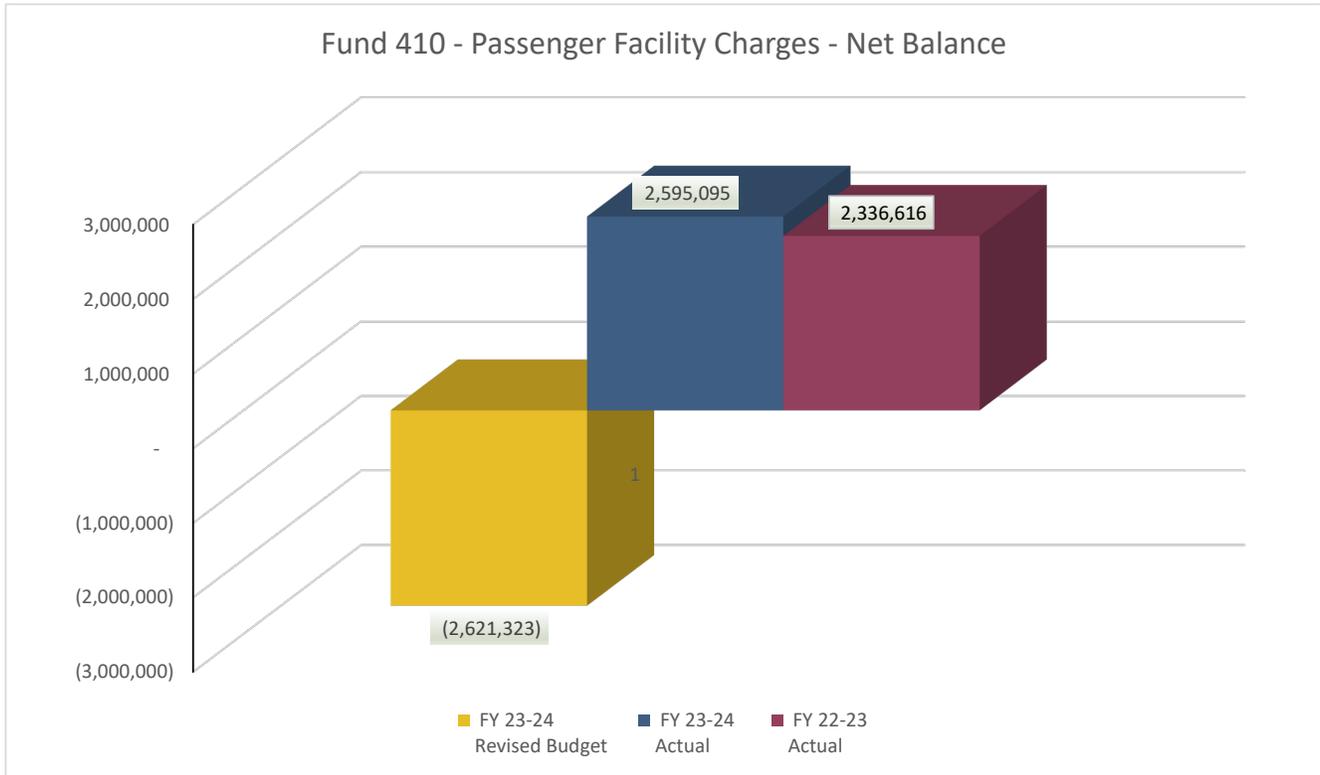
CFC revenue is collected by the car rental concessionaires and remitted to the Airport according to state law to support the future consolidated rental car facility project. In March 2022, City Council approved a change in the collection methodology rate from \$10 per transaction to \$9 per day up to five days maximum.

Expenditures

CFC expenditures are for the property acquisition to procure 8.06 acres of property south of Kirk Douglas Way for future CONRAC use.

CITY OF PALM SPRINGS
PALM SPRINGS INTERNATIONAL AIRPORT
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Fund 410 - Passenger Facility Charges	FY 23-24 Revised Budget	FY 23-24 Actual	FY 23-24 % Of Budget	FY 22-23 Actual	FY 20-23 vs FY 21-24 % Change
Operating Revenue	6,450,776	3,002,080	47%	2,783,061	8%
Operating Expenditures	9,072,099	406,985	4%	446,445	-9%
Surplus / (Deficit)	(2,621,323)	2,595,095	-99%	2,336,616	11%



Fund 410 is the airports fund for passenger facility charges (PFC).

Revenues

The PFC program, first authorized by the Aviation Safety and Capacity Expansion Act of 1990 and now codified under Section 40117 of Title 49 U.S.C., provides a source of additional capital to improve, expand, and repair the nation’s airport infrastructure. The legislation allows public agencies controlling commercial service airports to charge enplaning passengers using the airport a facility charge. The FAA must approve any facility charges imposed on enplaning passengers. The PFC at PSP is \$4.50 and the maximum PFC charge on any one passenger travel ticket is capped at \$18.00.

Expenditures

On July 18, 2019, the City of Palm Springs issued 2019 Airport Passenger Facility Charge Revenue Bonds for \$22,270,000 to finance a portion of the design, acquisition, and construction of ticketing hall and baggage handling system improvements. Interest is payable semiannually on June 1, and December 1 of each year, commencing December 1, 2019, until maturity or earlier redemption. Fiscal year 2024 principal is \$1,690,000 and interest is \$807,000. Expenses to fund 410 include principal and interest and contractual services to the bond consultant.

CITY OF PALM SPRINGS
PALM SPRINGS INTERNATIONAL AIRPORT
 Financial Summary
 Ending January 31, 2024

Fund 415 - Airport					
Operations & Maintenance	FY 23-24 Revised Budget	FY 23-24 Actual	FY 23-24 % Of Budget	FY 22-23 Actual	FY 22-23 vs FY 23-24 % Change
Operating Revenue	64,090,869	20,801,492	32%	29,474,630	-29%
Operating Expenditures	51,371,103	16,880,312	33%	14,636,287	15%
Surplus / Deficit	12,719,766	3,921,180	31%	14,838,343	-74%

Fund 415 is the airports operation & maintenance fund which records for all the revenues and expenditures.

Revenues

Airport revenues included operating and non-operating revenues from airlines, fuel fees, terminal rentals, ground rentals, concessions, fines, parking, ground transportation, grant reimbursements, admission fees for the Palm Springs Air Museum and interest income.

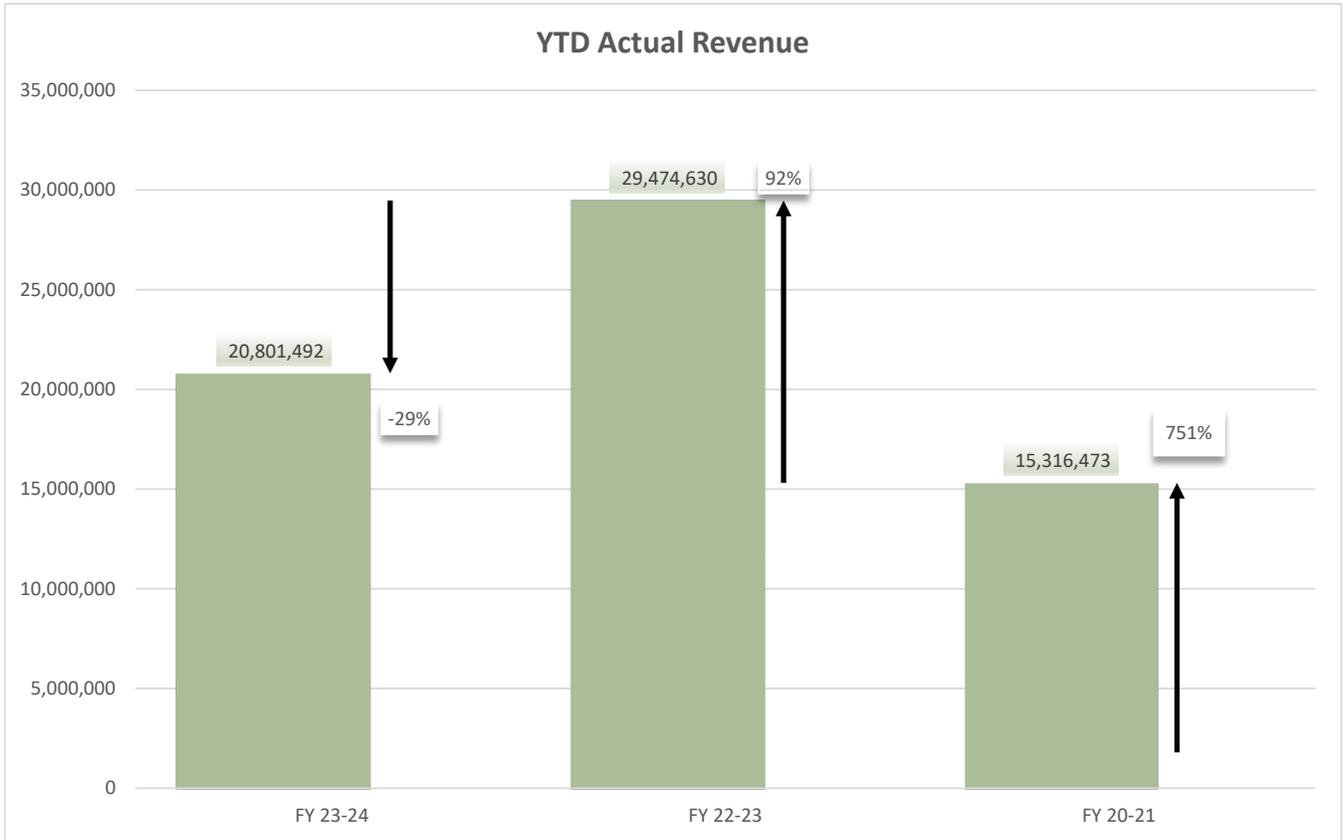
Expenditures

Airport expenditures consist of personnel, contractual services, safety and security (Aircraft Rescue and Fire Fighting (ARFF) and law enforcement), utilities, maintenance, supplies, operating equipment, insurance, employee development, equipment rentals and repairs.

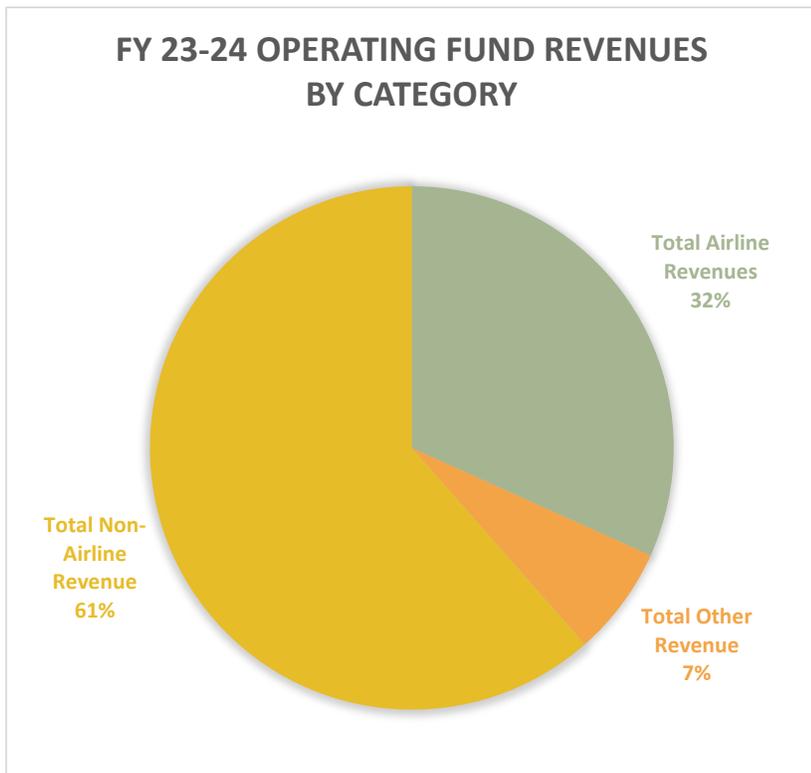
CITY OF PALM SPRINGS
PALM SPRINGS INTERNATIONAL AIRPORT
Financial Summary
Ending January 31, 2024

Fund 415 - Airport					
Operations & Maintenance	FY 23-24 Revised Budget	FY 23-24 Actual	FY 23-24 % Of Budget	FY 22-23 Actual	FY 22-23 vs FY 23-24 % Change
Operating Revenue					
Airline Revenue					
Landing Fees	5,910,134	2,288,504	39%	1,521,089	50%
Landing Fee Surcharge	-	(93,778)	0%	911,539	-110%
Terminal Airline Space/Joint Use	9,467,216	2,889,775	31%	1,246,578	132%
Gate Per Use Fees	3,470,605	690,589	20%	623,207	11%
Passenger Loading Bridge Fee	1,255,064	404,309	32%	-	0%
Baggage Handling System Fees	897,000	424,169	47%	-	0%
Total Airline Revenues	21,000,019	6,603,568	31%	4,302,414	53%
Other Revenue					
CARES Act	-	-	0%	5,989,698	-100%
CRRSAA-Airport	4,783,916	1,408,292	29%	-	0%
CRRSAA-Concessions	280,390	-	0%	-	0%
ARPA-Airport	1,481,290	-	0%	6,020,652	-100%
ARPA - Concessions	1,121,560	-	0%	-	0%
Total Other Revenue	7,667,156	1,408,292	18%	12,010,350	-88%
Non-Airline Revenue					
General Aviation	406,000	147,267	36%	161,794	-9%
Non-Aeronautical Ground Rental	457,315	286,878	63%	249,927	15%
Aeronautical Ground Rental	1,247,329	712,622	57%	888,561	-20%
Parking	6,697,064	3,647,108	54%	3,540,320	3%
Airport Use Permits	53,263	80,087	150%	55,917	43%
Non-Airline Terminal Rent Fee	9,998,816	1,172,942	12%	1,198,848	-2%
Rental Car - Overflow Parking	371,809	6,257	2%	39,489	-84%
Advertising	315,951	191,737	61%	226,414	-15%
On Airport Rental Car	11,944,780	4,416,711	37%	5,132,093	-14%
Commercial Services Fees	1,099,000	514,152	47%	495,426	4%
Ground Transportation Fees	1,195,000	621,514	52%	527,079	18%
Customs	336,296	165,491	49%	181,520	-9%
All Other Revenue	1,301,070	826,867	64%	464,478	78%
Total Non-Airline Revenue	35,423,694	12,789,632	36%	13,161,866	-3%
Total Operating Revenues	64,090,869	20,801,492	32%	29,474,630	-29%

**CITY OF PALM SPRINGS
PALM SPRINGS INTERNATIONAL AIRPORT
Financial Summary
Ending January 31, 2024**



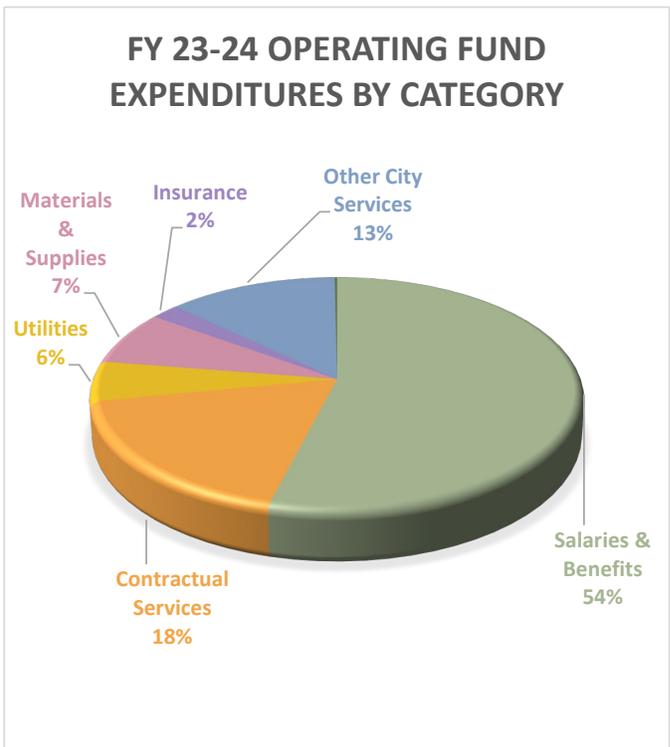
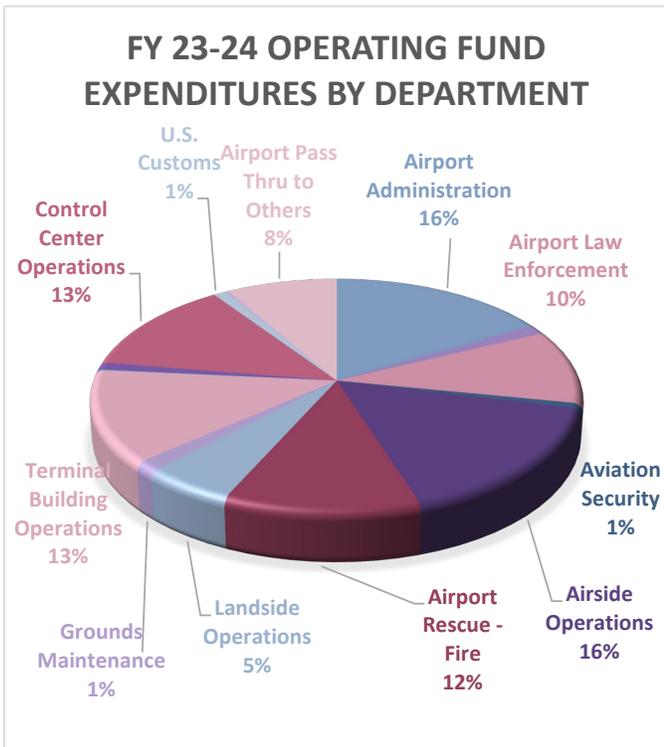
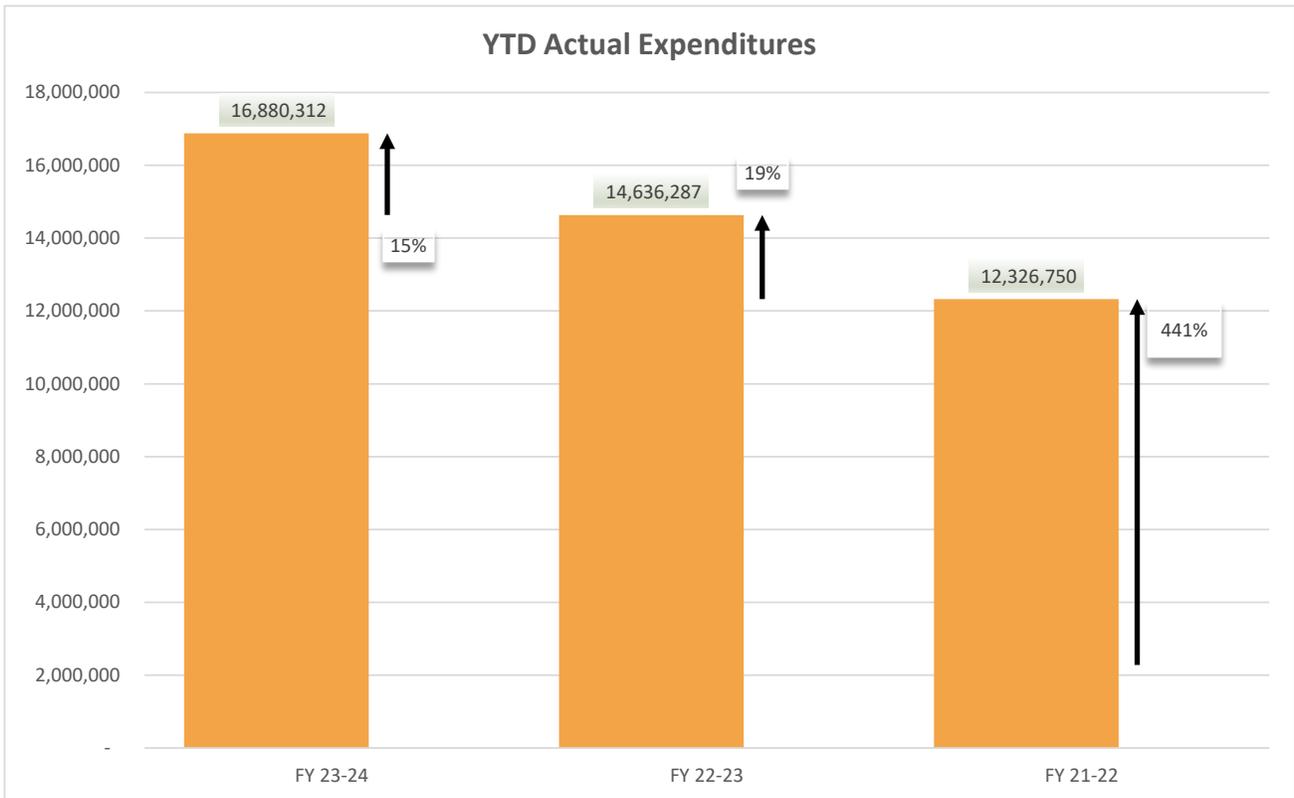
Note: FY22-23 had \$12M in revenues from one-time CARES & ARPA grant funds



CITY OF PALM SPRINGS
PALM SPRINGS INTERNATIONAL AIRPORT
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Ending January 31, 2024

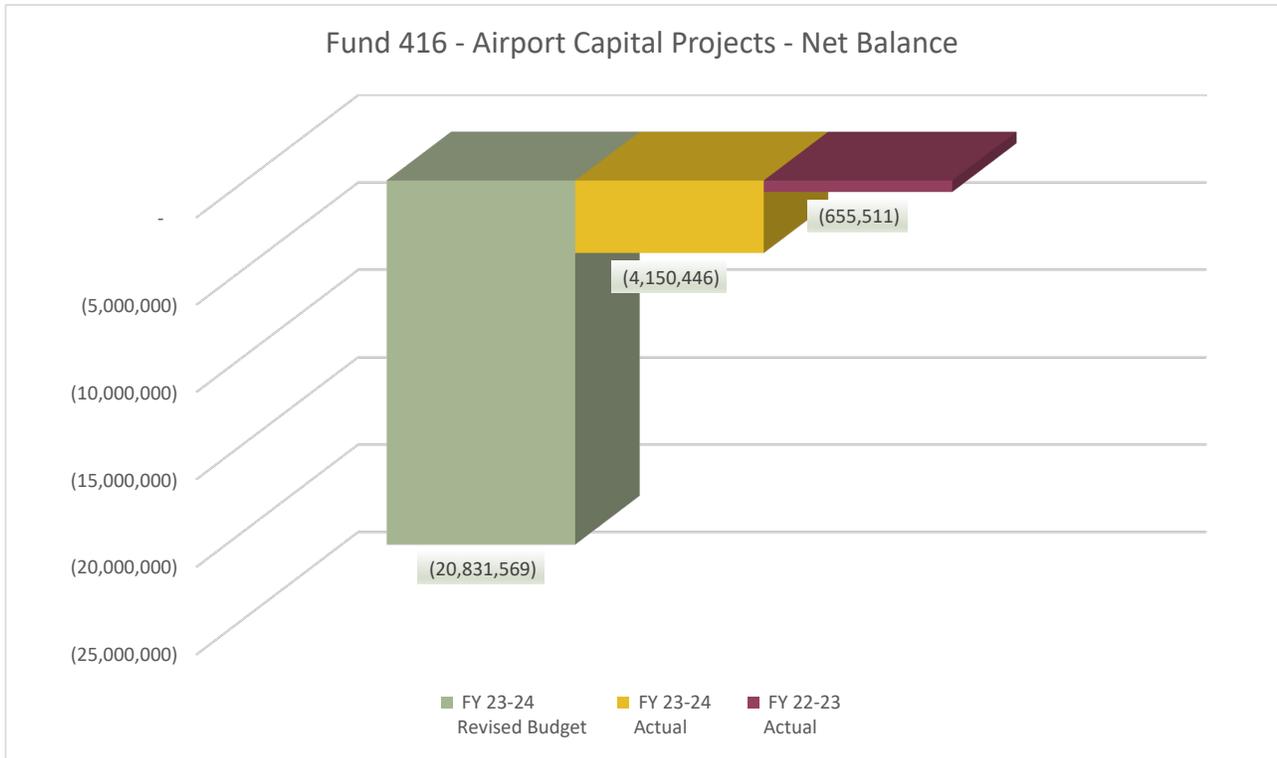
Fund 415 - Airport Operations & Maintenance	FY 23-24 Budget	FY 23-24 Actual	FY 23-24 % Of Budget	FY 22-23 Actual	FY 22-23 vs FY 23-24 % Change
Operating Expenditures					
Airport Administration	8,155,945	2,782,958	34%	2,736,192	2%
Airport Information Technology	1,026,206	221,878	22%	2,553	
Airport Law Enforcement	3,130,981	1,739,348	56%	1,908,793	-9%
Aviation Security	1,936,264	114,646	6%	-	0%
Airside Operations	5,981,668	2,743,294	46%	216,785	1165%
Airport Rescue - Fire	4,828,582	1,976,050	41%	2,226,578	-11%
Landside Operations	2,217,250	917,325	41%	848,177	8%
Grounds Maintenance	691,680	233,816	34%	333,476	-30%
Terminal Building Operations	8,270,483	2,186,291	26%	3,925,351	-44%
Passenger Boarding Bridges	120,000	23,200	19%	6,765	243%
Baggage Handling System	897,000	153,759	17%	122,487	26%
Control Center Operations	4,169,247	2,188,990	53%	2,122,652	3%
U.S. Customs	336,436	146,788	44%	186,479	-21%
Planning & Projects	723,776	55,626	8%	-	0%
Airport Pass Thru to Others	1,401,950	1,396,342	100%	-	0%
PERS Cost Recovery	500,000	-	0%	-	0%
Budget Transfer Out	6,983,634	-	0%	-	0%
Total Operating Expenditures	51,371,103	16,880,312	33%	14,636,287	-15%
Surplus / (Deficit)	12,719,766	3,921,180	31%	14,838,343	-74%

CITY OF PALM SPRINGS
PALM SPRINGS INTERNATIONAL AIRPORT
 Financial Summary
 Ending January 31, 2024



CITY OF PALM SPRINGS
PALM SPRINGS INTERNATIONAL AIRPORT
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Fund 416 - Airport Capital Projects	FY 23-24 Revised Budget	FY 23-24 Actual	FY 23-24 % Of Budget	FY 22-23 Actual	FY 20-23 vs FY 21-24 % Change
Operating Revenue	69,701,796	1,038,790	1%	2,438,899	-57%
Operating Expenditures	90,533,365	5,189,235	6%	3,094,410	68%
Surplus / (Deficit)	(20,831,569)	(4,150,446)	20%	(655,511)	533%



Fund 416 is the airports capital program

Revenues

Airport Improvement Program (AIP) grants are offered to PSP to provide funding assistance for eligible capital projects that meet the criteria of the federal program. Additional funding is being distributed through AIP grant program by the Bipartisan Infrastructure Law (BIL). These grants have a 9.34% local share and the remaining 90.66% are reimbursed by the FAA. Revenues in excess of the Airport Operations & Maintenance are transferred to fund 416 to cover capital projects.

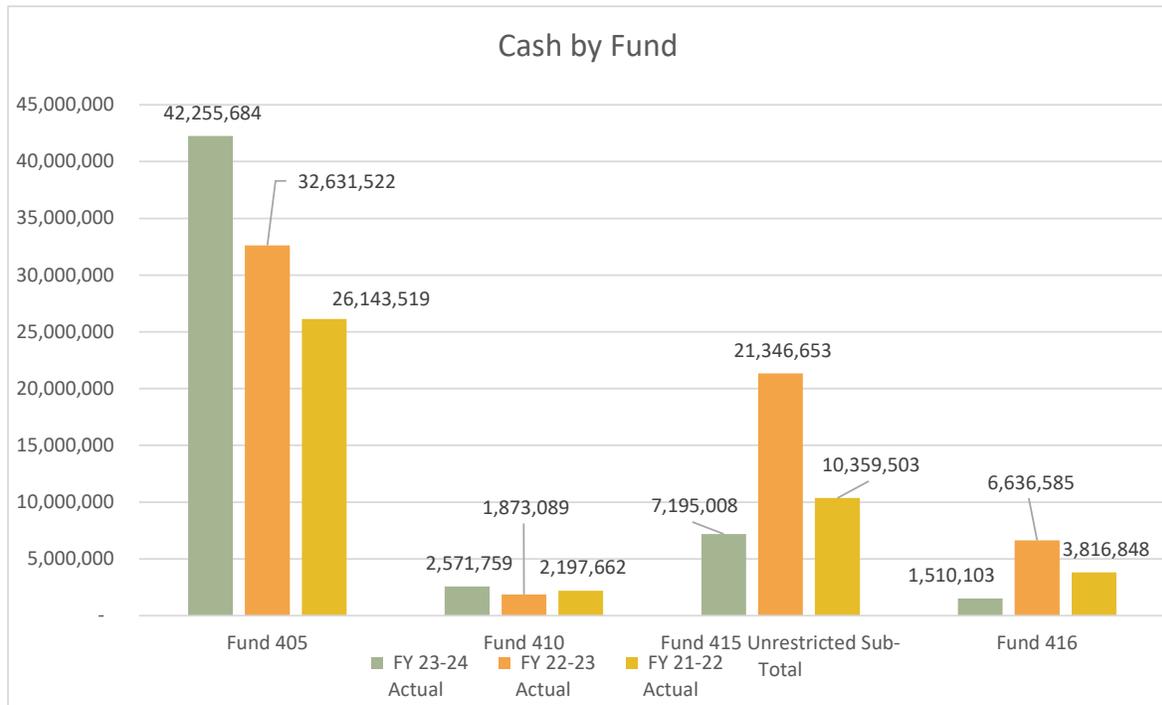
Expenditures

The airports Capital Improvement Program and Capital Outlay projects are shown on a separate sheet. Capital Outlay are capital projects that are under \$300,000 that are expenses in the year of purchase rather than amortized. Under the new the AULA, the airlines will be charged amortization for certain capital projects to help recover its portion of funds used for capital assets. A capital expenditure is any single item that costs \$300,000 or more with a useful life in excess of three years, including planning studies, environmental studies, and environmental mitigation measures.

**CITY OF PALM SPRINGS
PALM SPRINGS INTERNATIONAL AIRPORT**

Financial Summary
Ending January 31, 2024

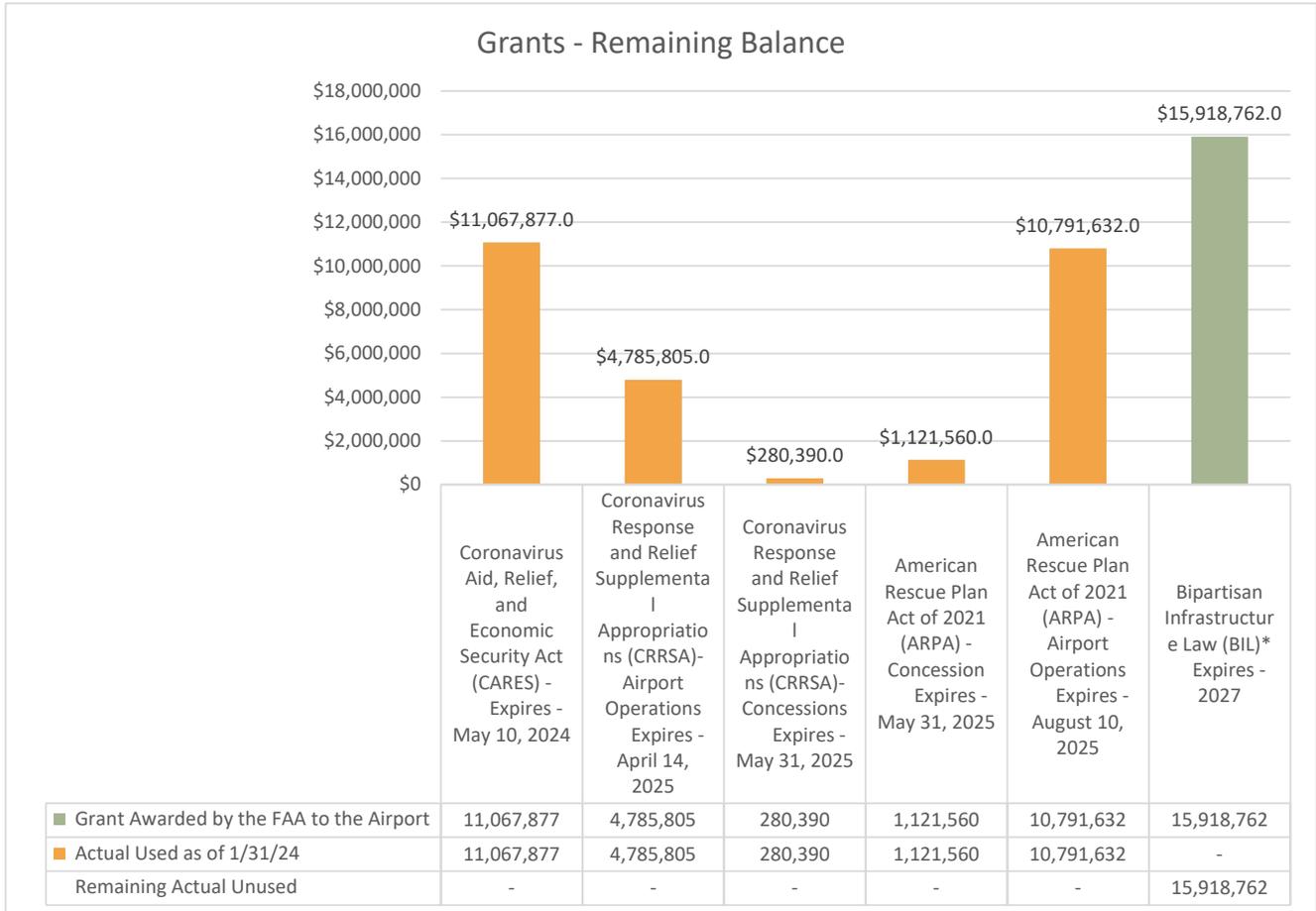
Cash Summary	FY 23-24 Actual	FY 22-23 Actual	FY 21-22 Actual
Fund 405	42,255,684	32,631,522	26,143,519
Fund 410	2,571,759	1,873,089	2,197,662
Fund 415 Unrestricted Sub-Total	7,195,008	21,346,653	10,359,503
Fund 416	1,510,103	6,636,585	3,816,848



**CITY OF PALM SPRINGS
PALM SPRINGS INTERNATIONAL AIRPORT**

Financial Summary
Ending January 31, 2024

Grant Type Expiration Date	Grant		
	Awarded by the FAA to the Airport	Actual Used as of 1/31/24	Remaining Actual Unused
Coronavirus Aid, Relief, and Economic Security Act (CARES) - Expires - May 10, 2024	11,067,877	11,067,877	-
Coronavirus Response and Relief Supplemental Appropriations (CRRSA)- Airport Operations Expires - April 14, 2025	4,785,805	4,785,805	-
Coronavirus Response and Relief Supplemental Appropriations (CRRSA)- Concessions Expires - May 31, 2025	280,390	280,390	-
American Rescue Plan Act of 2021 (ARPA) - Concession Expires - May 31, 2025	1,121,560	1,121,560	-
American Rescue Plan Act of 2021 (ARPA) - Airport Operations Expires - August 10, 2025	10,791,632	10,791,632	-
Bipartisan Infrastructure Law (BIL)* Expires - 2027	15,918,762	-	15,918,762
Total Grants	43,966,026	28,047,264	15,918,762



Note: The BIL grant is allocated to the inbound baggage claim project

CITY OF PALM SPRINGS
PALM SPRINGS INTERNATIONAL AIRPORT
Financial Summary
Ending January 31, 2024

NO. OF PROJECTS	PROJECT NAME	BUDGET	BUDGET	BUDGET	BUDGET	EXPENSE TO		FUNDING SOURCE
		FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	DATE	REMAINING	
1	PRIOR YEAR PROJECTS	29,205,802	-	-	-	-	29,205,802	
2	AIRFIELD 31L/13R REHABILITATION & AIRFIELD CONNECTOR - (DESIGN)	-	-	-	1,500,000	-	1,500,000	Airport / ACIP Grant
3	AIRFIELD W & A1 - (CONSTRUCT - PHASE 1)	-	-	-	6,500,000	-	6,500,000	Airport / ACIP / BIL-AIG Grant
4	AUTOMATED EXIT LANES	-	-	-	750,000	-	750,000	Airport
5	BHS - TERMINAL BUILDING EXPANSION (CONSTRUCT)	-	-	-	25,000,000	-	25,000,000	PFC
6	CARPET REPLACEMENT - MAIN TERMINAL LOBBY AND SECURITY CHECK POINT	-	-	400,000	-	-	400,000	Airport
7	CONSOLIDATED RENTAL CAR FACILITY (DESIGN)	-	-	-	2,500,000	-	2,500,000	CFC
8	CONVEYANCE REPLACEMENT	-	-	-	4,700,000	-	4,700,000	Airport / BIL-ATP Grant
9	ECONOMY LOT (CONSTRUCT) - PHASE 1	-	-	-	3,000,000	-	3,000,000	Airport
10	ECONOMY LOT (CONSTRUCT) - PHASE 2	-	-	-	3,000,000	-	3,000,000	Airport
11	FEDERAL INSPECTION STATION - (DESIGN) & NEW TERMINAL EXPANSION	-	-	-	19,000,000	-	19,000,000	Airport / BIL - Entitlement Grant
12	HVAC INFRASTRUCTURE REPLACEMENT	-	-	-	2,000,000	-	2,000,000	Airport / BIL-ATP Grant
13	LOT A (CONSTRUCT)	-	-	-	700,000	-	700,000	Airport
14	MAIN TERMINAL FAÇADE RESTORATION (DESIGN)	-	-	-	500,000	-	500,000	Airport
15	PAINT STRIPING TRUCK	-	-	1,000,000	-	-	1,000,000	Airport
16	PARKING REVENUE SYSTEM	-	-	500,000	-	-	500,000	Airport
17	PROCURE LANDSIDE VEHICLES	-	-	210,000	-	-	210,000	Airport / VALE/ZEV Grant
18	PROCURE TWO ZERO EMISSIONS BUSES	-	-	-	2,000,000	-	2,000,000	Airport / VALE/ZEV Grant
19	PROPERTY ACQUISITION	-	-	8,800,000	-	-	8,800,000	CFC
20	REMAIN OVER NIGHT (RON) PARKING SPACES	-	-	-	4,000,000	-	4,000,000	Airport / ACIP Grant
21	SHADE AREA - PHASE 1	-	-	236,000	-	-	236,000	Airport / VGPS Grant
22	SOLID SEPARATOR	-	-	100,000	-	-	100,000	Airport
23	TELEHANDLER/FORKLIFT	-	-	150,000	-	-	150,000	Airport
24	VERBIAGE MESSAGE SIGNAGE - DIGITAL	-	-	800,000	-	-	800,000	Airport
25	WI-FI CONSULTANT (DESIGN)	-	-	150,000	-	-	150,000	Airport
26	AIRCRAFT RESCUE & FIREFIGHTING TRUCK	-	-	-	1,500,000	1,127,610	372,390	Airport
27	AUTOMATED VEHICLE IDENTIFICATION	300,000	-	-	-	138,192	161,808	Airport
28	COMMON USE	225,860	2,777,514	-	-	1,322,121	1,681,252	Airport
29	EV CHARGER	-	-	300,000	-	295,708	4,292	Airport / ACIP
30	GATE STRIPING	-	-	599,900	-	599,900	-	Airport
31	HOT SPOT STUDY	-	-	181,320	-	53,283	128,037	ACIP
32	INBOUND BAGGAGE CLAIM	-	-	6,000,000	12,000,000	326,915	17,673,085	Airport / BIL - ATP Grant
33	MASTER PLAN	-	-	2,275,816	-	680,937	1,594,879	ACIP
34	OUTBOUND BAGGAGE HANDLING SYSTEM	-	-	20,000,000	10,000,000	540,106	29,459,894	Airport / ACIP / PFC
35	PUBLIC PARKING PAVING	-	-	2,400,000	-	1,523	2,398,477	Airport
36	PUBLIC RESTROOMS	-	-	10,000,000	-	29,028	9,970,972	Airport / BIL - ATP Grant
37	TAXIWAY REHABILITATION W & A1	-	-	571,158	-	53,394	517,764	ACIP
38	WIFI WIRELESS EQUIPMENT	-	-	500,000	-	5,474	494,526	Airport
39	WILDLIFE HAZARD ASSESSEMENT	-	-	126,924	-	15,044	111,880	ACIP
	TOTAL	29,731,661	2,777,514	60,300,006	100,150,000	10,378,470	153,002,519	



palm springs
INTERNATIONAL AIRPORT

Rough Order Magnitude Cost Review – Finance Committee

PSP Baggage Claim Expansion

AGENDA

PSP Bag Claim Expansion
Rough Order Magnitude Cost Review

01 Project Background
02 Planning Options &
ROM Review

Today:
Review Bag Claim Expansion
planning options and relative costs.



01 PROJECT BACKGROUND

Alleviate congestion between bag claim devices and rental car counters.

Expand building to meet PAL 2

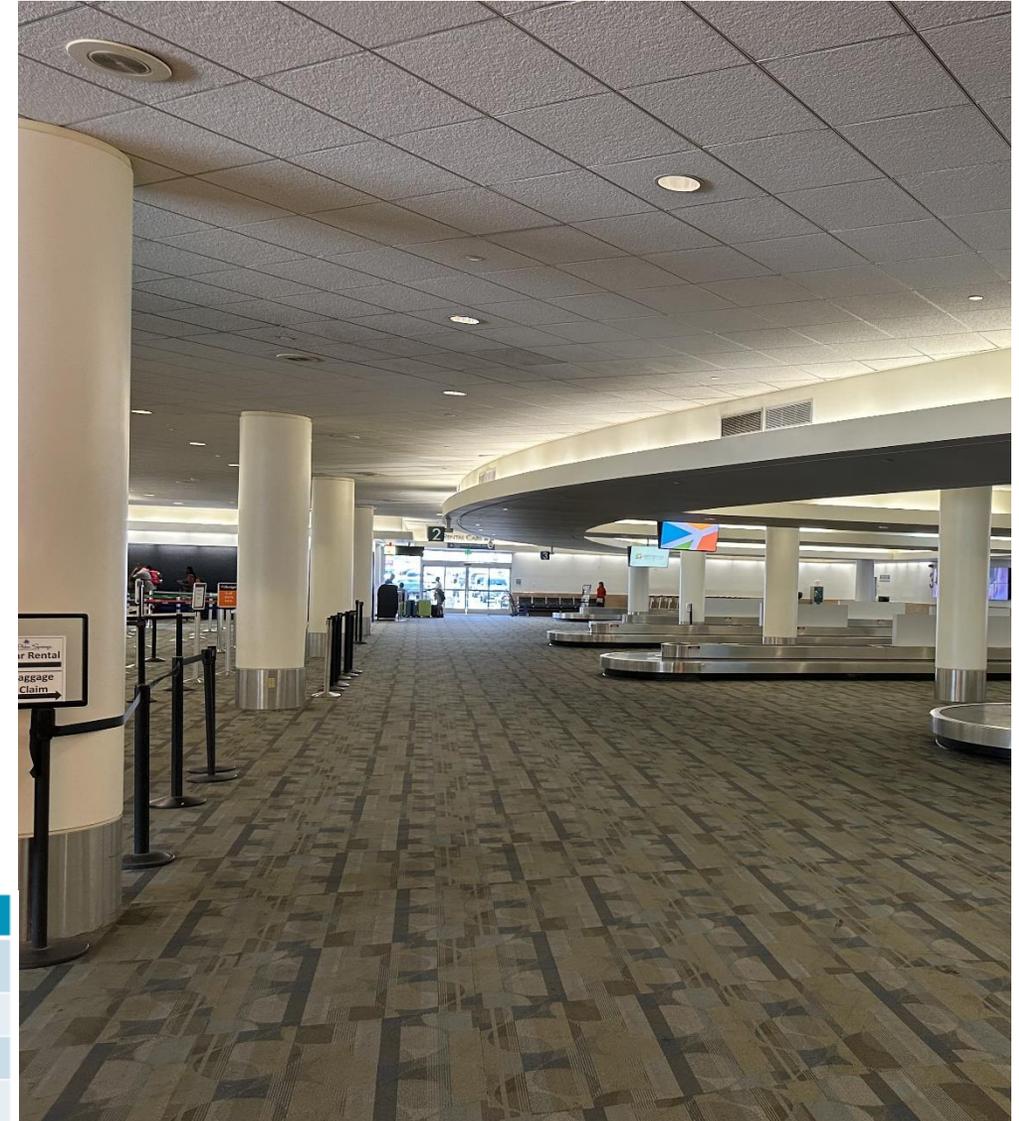
4 sloped plate carousel devices

Add +/- 10,000 SF

1 additional rental car counter position
(25 Today / 26 at PAL 2)

Additional Baggage Service Offices

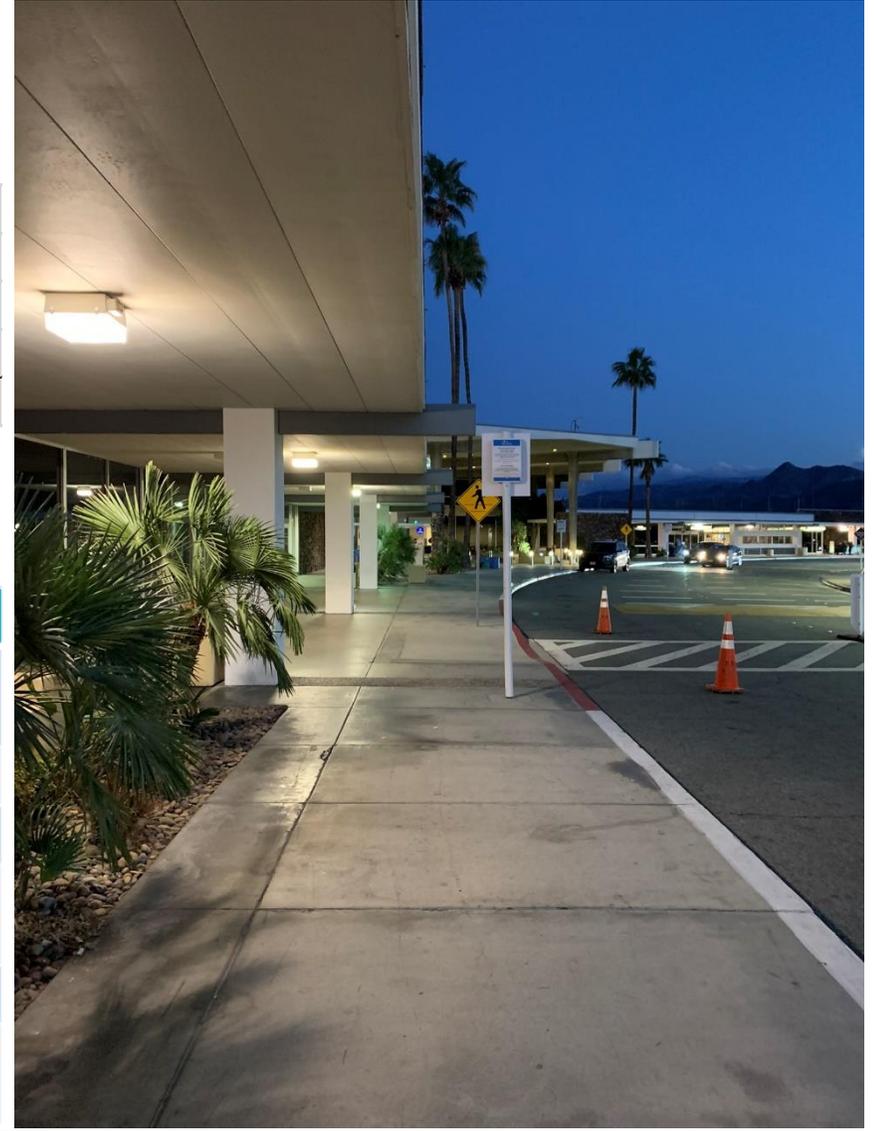
	Existing	PAL 1	PAL 2	PAL 3	PAL 4
Million Annual Passengers	3.0 MAP	4.0 MAP	4.8 MAP	5.6 MAP	6.5 MAP
# of Gates	18	21-23	22-24	25-28	30-32
Year according to high-growth forecasts		2026-2027	2032-2033	2037-2038	2042-2043
Year according to baseline forecasts		2030-2032	2035-2036	2041-2042	Beyond 20 Yrs.



01 PROJECT BACKGROUND

	Existing	PAL 2	Approximate Need
BSO	784.00	1,000.00	216.00
Bag Claim	14,300.00	24,100.00	9,800.00
Rental Car Customer Service and Offices	5,334.00	9,802.00	4,468.00
	20,418.00	34,902.00	14,484.00

	Existing	2023	PAL 1	PAL 2	PAL 3	PAL 4
Peak 20-Minute # of Arrivals	7	7	9	9	9	10
Peak 20-Minute # of Bags	445	445	595	595	595	687
Total People at Claim	290	290	387	387	387	447
Claim Frontage per Person	435	435	581	581	581	671
# of Carousels	3	3	4	4	4	5
Total Baggage Claim Area	14,300	18,300	24,100	24,100	24,200	30,260

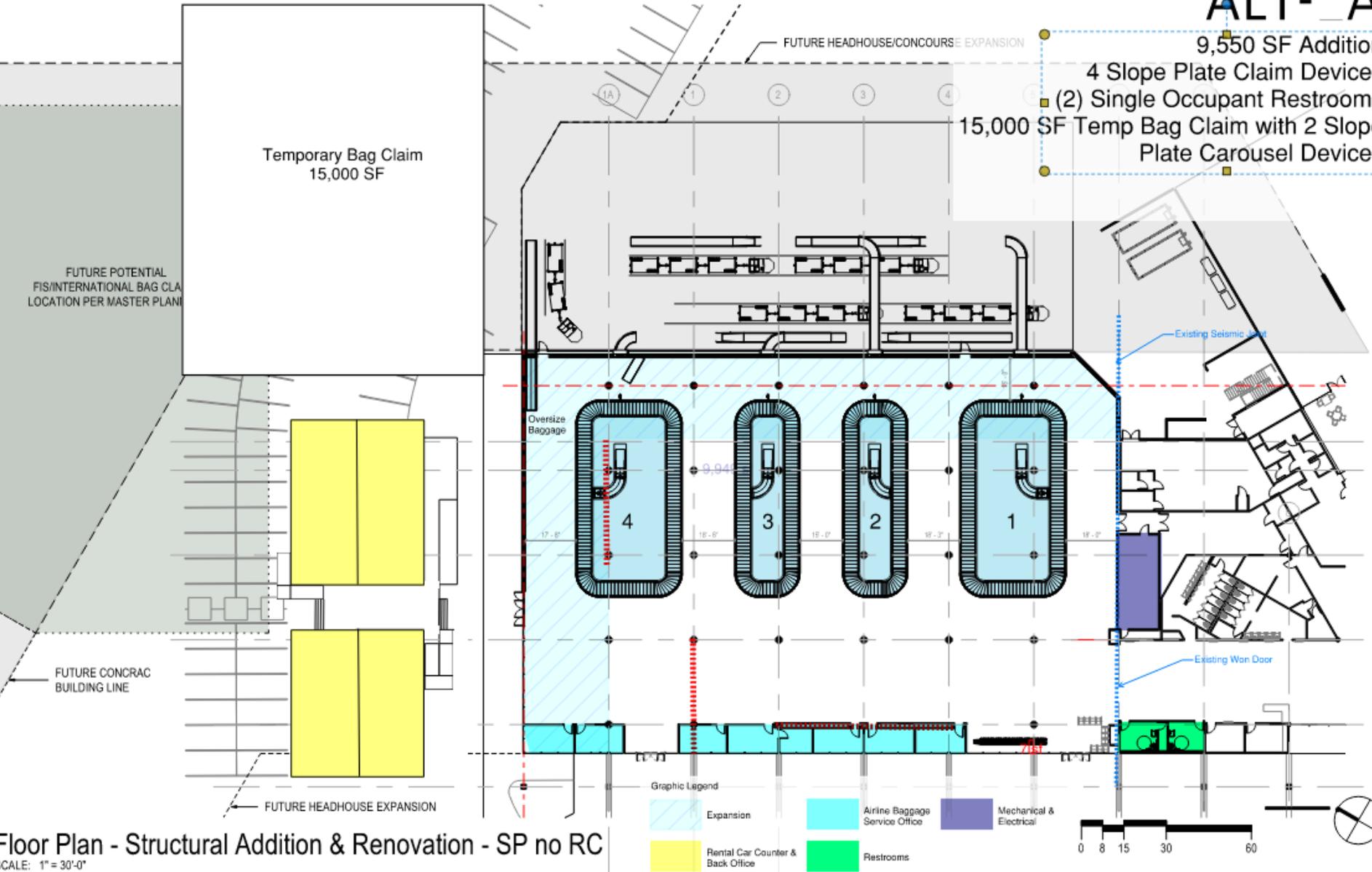


01 PROJECT BACKGROUND

DRAFT RENDERING



ALT - A



4 Slope Plate Carousels & BSO

Rental Car Counters moved to Temp Trailers

Meets 10,000 SF Categorical Exemption

New MEP/IT/Security Systems and Exterior Enclosure

Temp System with 2 Slope Plate Carousels (reused in final layout)

New Structure

\$41,282,081

Floor Plan - Structural Addition & Renovation - SP no RC
SCALE: 1" = 30'-0"

ALT- B

18,462 SF Addition
4 Slope Plate Claim Devices
(2) Single Occupant Restrooms
15,000 SF Temp Bag Claim with 2 Slope Plate Carousel Devices

4 Slope Plate Carousels, BSO & Rental Car Operation

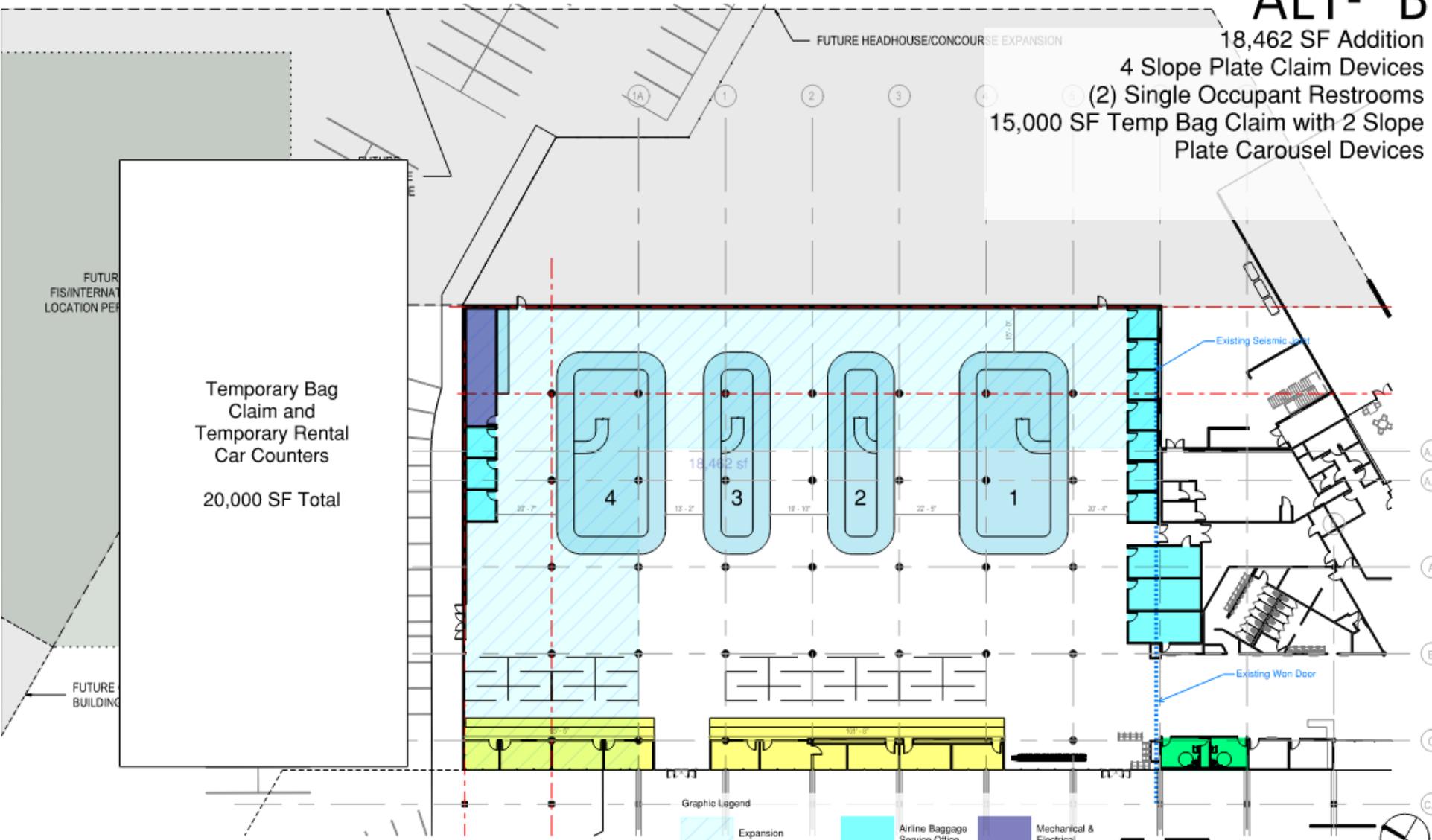
Exceeds 10,000 SF Categorical Exemption

New MEP/IT/Security Systems and Exterior Enclosure

Temp System with 2 Slope Plate Carousels (reused in final layout)

New Structure

\$46,233,875



Temporary Bag Claim and Temporary Rental Car Counters
20,000 SF Total

FUTURE FIS/INTERNATIONAL LOCATION PER

FUTURE BUILDING

Floor Plan - Structural Addition & Renovation - SP
SCALE: 1" = 30'-0"

Graphic Legend

 Expansion	 Airline Baggage Service Office	 Mechanical & Electrical
 Rental Car Counter & Back Office	 Restrooms	



ALT- C

+/-10,347 SF Addition
4 Slope Plate Claim Devices
(2) Single Occupant Restrooms

4 Slope Plate Carousels, & BSO

Rental Car Counters moved to Temp Trailers

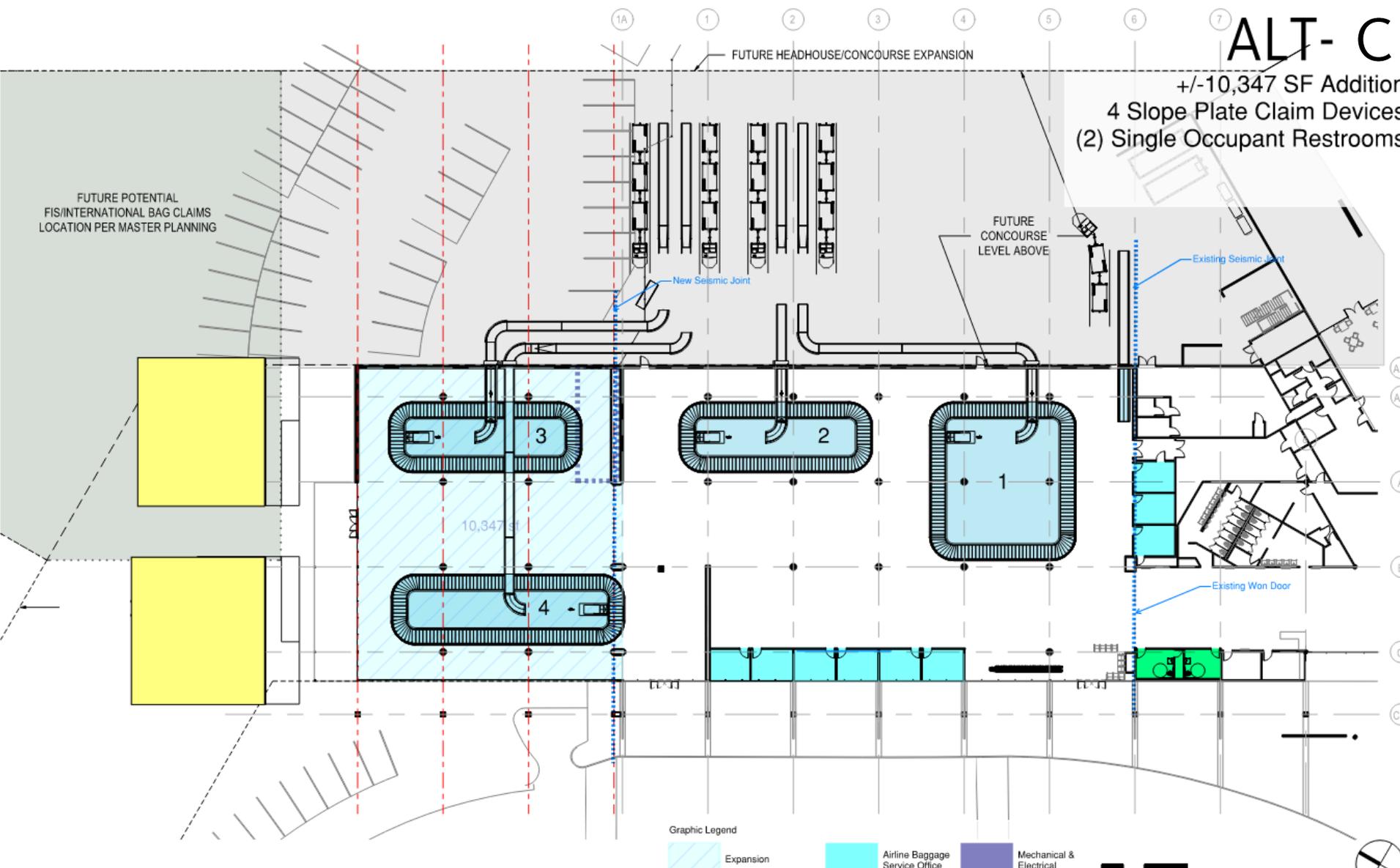
Exceeds 10,000 SF Categorical Exemption

New MEP/IT/Security Systems. Partial new Exterior Enclosure. New Interior.

Temp System not required.

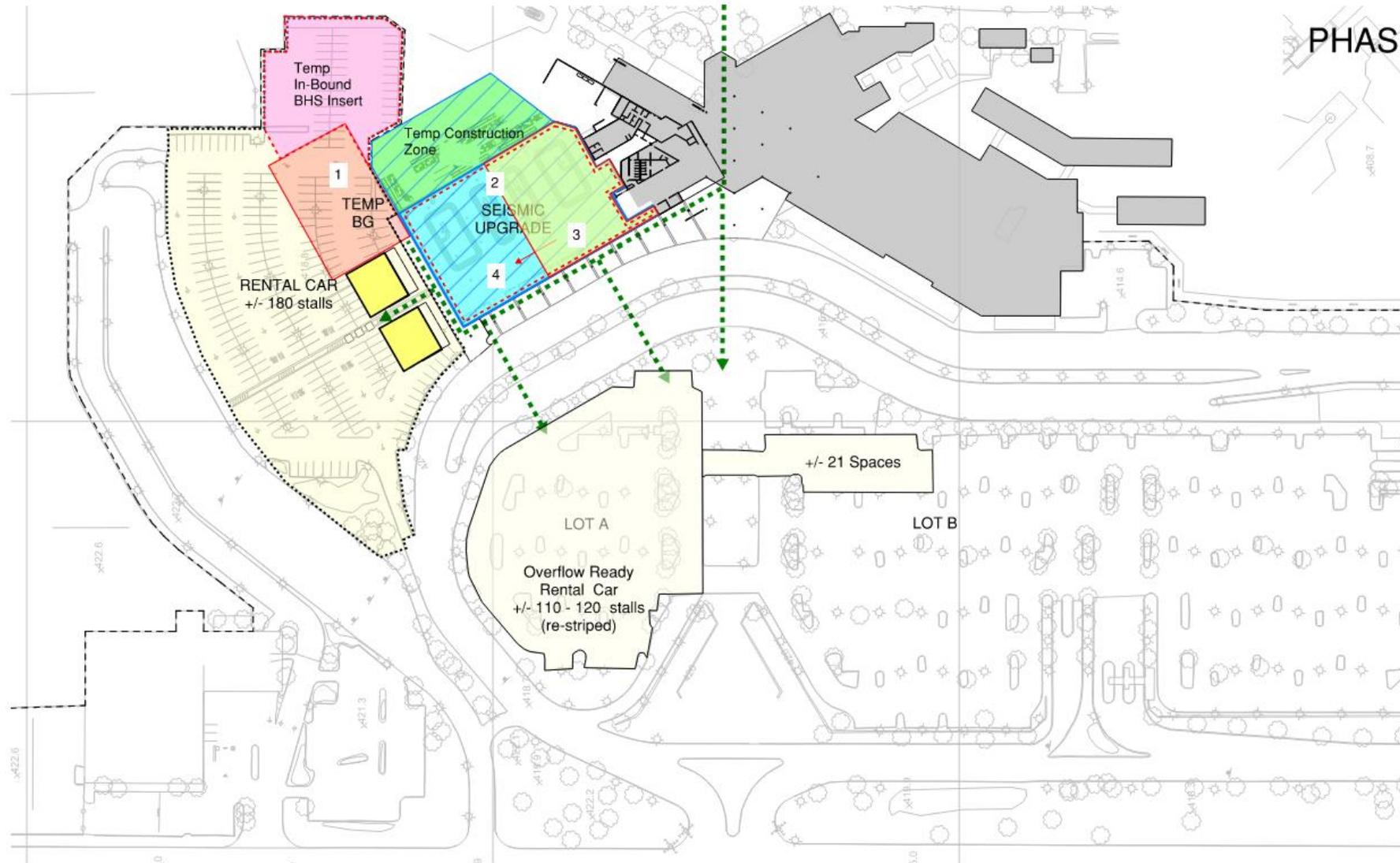
No Structural Upgrades to existing building

\$31,414,353



North Building Addition & Interior Renovation - SP
SCALE: 1" = 30'-0"

ALT- A PHASING



ALT-1A Rental Car Site Plan
SCALE: 1" = 100'-0"



palm springs
INTERNATIONAL AIRPORT

Marketing & Air Service Update

February 2024



Air Service Update

Scheduled Departing Seats

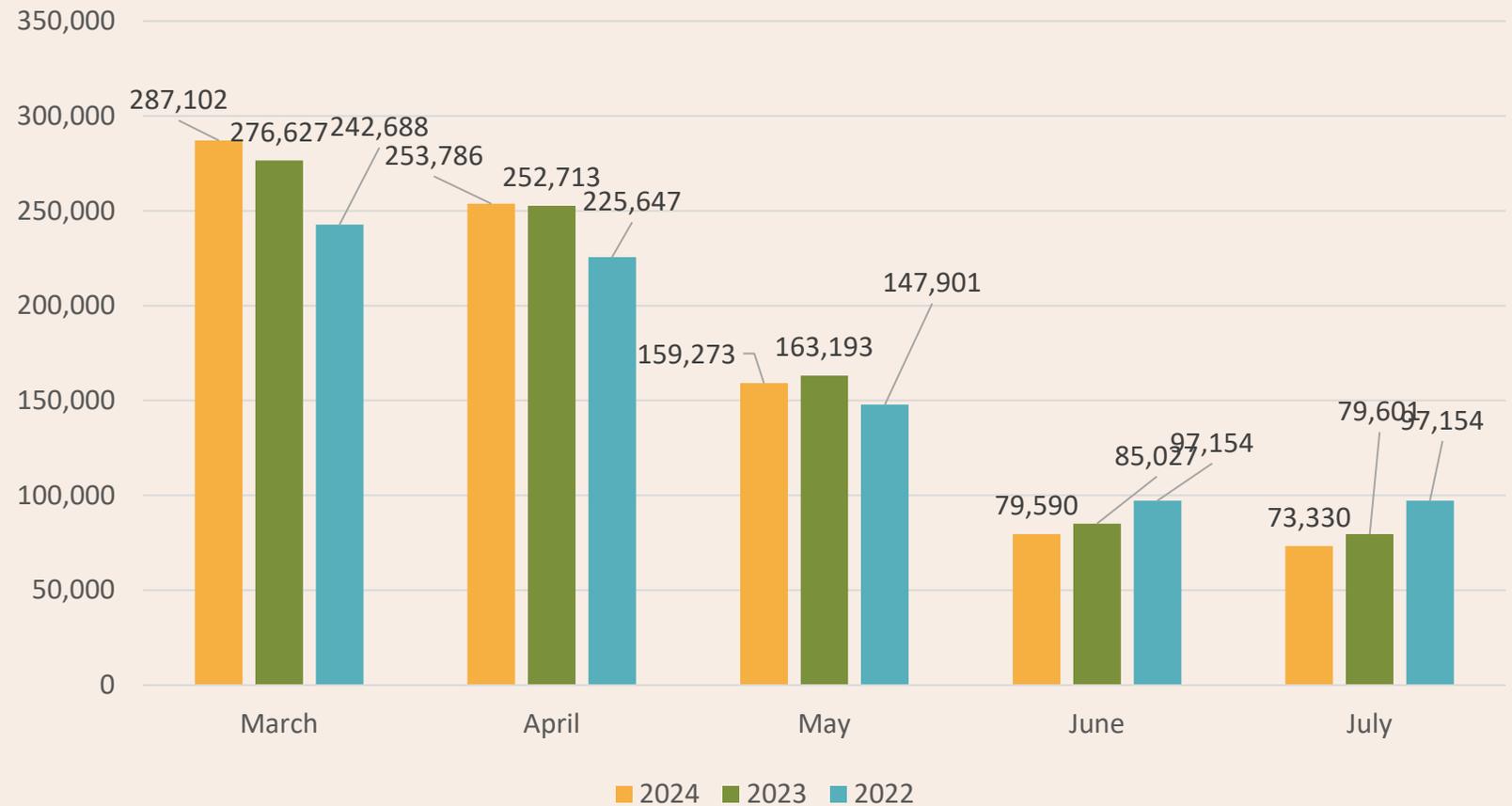
Based on 02/12/24 schedule data, subject to change.

Vs. 1 Year Ago	% Change
March	3.8 %
April	0.4 %
May	- 2.4 %
June	- 6.4 %
July	- 7.9%

SFO runway construction causing United and Alaska to reduce summer flights to all airports from SFO.

Southwest has changed SJC to less-than-daily during the summer due to lower demand.

Southwest is still optimizing their summer flying at PSP



Bar Graph: Left to right: 2024, 2023, 2022



Avelo Airlines

- Extended their seasonal service to Sonoma through the summer.
- PSP will have 13 routes operating this summer, more than ever before

January Total Passenger Counts

- 336,778 Total Passengers
- Down 1.4% over 2023, or 4,878 passengers
- 737Max9 Grounding Contributing Factor to Lower Passenger Count
 - 67 canceled departing flights
 - 23,312 total canceled seats
 - Most passengers were able to get out on other flights, but we assume some passengers ended up driving home or to another airport since the total passenger loss was much lower than the seat loss.

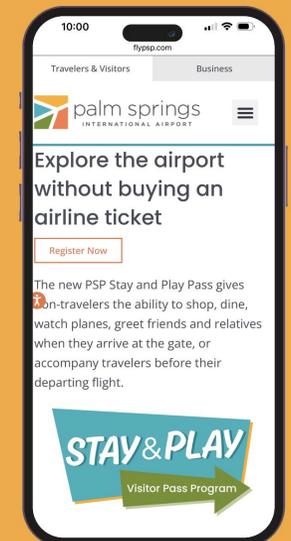
Other Updates

Stay & Play Visitor Pass Program

- Launched on 2/12/24
- Allows non-travelers to pass security and meet friends at the gate.
- Passes are not available during peak times. (9:00A – 1:00PM)
- Passengers will always have priority
- Passes are limited to 30 per hour
- Passes are not valid for Pre-Check or CLEAR
- Pass users go through the same security checks as passengers
- Pass users are thoroughly screened at the TSA Checkpoint, just like passengers
- Pass users may not carry luggage or prohibited items, they're allowed a small personal item such as a purse.

STAY & PLAY

Visitor Pass Program

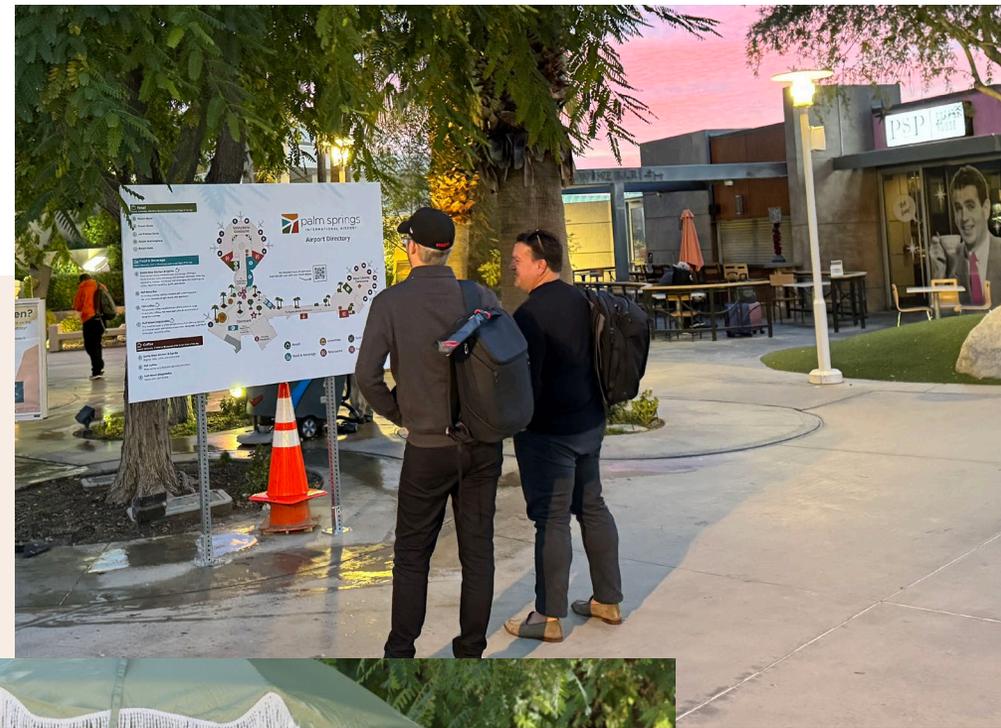


Courtyard

- New 6' x 4' directory sign was installed just past security. Coffee locations are highlighted.
- Courtyard Information Booth arrived and is in use. Navigators love it!
- Some airline managers have reported that the new directory and information booth have greatly reduced the number of passenger questions they receive at their gates regarding airport amenities

Agua Caliente Concourse

- Activation Space design meeting set for March 5
- Draft design to be reviewed by Chairs of Marketing and Operations Committees and airport staff





palm springs
INTERNATIONAL AIRPORT

PSP Concession Projected Opening Dates

ID	Task Mode	Task Name	Qtr 1, 2024			Qtr 2, 2024			Qtr 3, 2024			Qtr 4, 2024			Qtr 1, 2025
			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan
1															
2		Nine Cities Craft				◆ 3/15									
3		I Heart PSP & Vending					◆ 4/22								
4		Hey Joshua					◆ 4/26								
5		Las Palmas Oasis					◆ 4/26								
6		Cactus to Clouds					◆ 5/8								
7		Uptown Essentials						◆ 5/28							
8		Las Casuelas & Coachella Valley Coffee						◆ 5/28							
9		InMotion							◆ 7/19						
10		The Pink Door							◆ 7/26						
11		Coachella Duty Free Cart								◆ 8/21					
12		Vino Volo												◆ 11/15	
13		Trio												◆ 11/15	
14		Half Moon Empanadas													◆

PSP – Parking Facilities:

Year Over Year Summary

General Parking	2022	2023
Spaces	1723 – 866 (terminal) 837 (shuttle)	No Change
Rates	7 min grace \$2 – per 20 mins \$6 – per hour \$20 – daily max \$18 – daily max shuttle	7 min grace \$3 – per 20 mins \$8 – per hour \$20 – daily max \$18 – daily max shuttle
Annual Revenue Transactions	\$182,813	\$187,449
Annual Total Transactions	\$205,289	\$213,303
Annual Revenue	\$5,773,670	\$6,253,222
Average Duration	1 day, 10 hours (34 hours)	1 day, 9 hours (33 hours)
1 hour or less (LoS)	58%	52%
2 to 5 days (LoS)	20.18%	21.01%



A Department of the City of Palm Springs

Palm Springs International Airport
3400 E. Tahquitz Canyon Way, Suite 1
Palm Springs, CA 92262-6966

flypsp.com
T: (760) 318-3800

DATE: February 21, 2024
TO: Chairman Dada and Airport Commissioners
FROM: Harry Barrett, Jr., Airport Executive Director
SUBJECT: Projects and Airport Capital Improvement Update

Capital Projects

Airport Master Plan (Updated February 19, 2024)

Background: This project is a 30-month comprehensive study to plan and develop capital program requirements thru the year 2045. The study is scoped to be sustainable, and incorporates future goals related to terminal complex, landside access and parking, and airside improvements for future generation aircraft.

Status: In process. On September 18th, the Federal Aviation Administration provided an approval of PSP's Aviation Forecasts thru the year 2043. At the December 20, 2023 meeting the Commission voted to recommend to the City Council alternative 1A with a vote of twelve (12) for the motion and four (4) against. Airport staff will be making the Commission recommendation for a preferred terminal development alternative to the City Council on January 25, 2024. The City Council considered the terminal development alternatives at the January 25th Council meeting and provided staff with direction to conduct a traffic analysis of the current proposed location of the consolidated rental car facility and to bring back recommendations for alternate site location the facility in a future meeting. The Council voted 5-0 to approve alternative 1A with the exception of the location of the rental car facility. Airport staff is amending Mead & Hunt's scope to allow for the additional analysis and will be returning to the Council on April 11th with the recommendations.

Terminal Common Use (Updated February 19, 2024)

Background: This project is to install Common Use Passenger Processing System (CUPPS) at each of the 18 boarding gates and at the non-signatory airline ticket counters. This includes renovations to the Bono Concourse which involve replacement of customer service podiums, lighting and signage upgrades and carpet replacement for both concourses.

Status: In process - construction. Invitation For Bid #21-28 was issued on February 15th for construction of Bono concourse podiums and the renovation of the concourse. The City Council approved a contract with the most qualified firm (CalTec) on May 11, 2023. The Regional Jet (RJ) concourse gates have been fully converted onto the Common Use platform. New carpet installation is nearly complete in the RJ

concourse as a part of this project. This project is over 80% complete with renovation of boarding gates 5, 7, 9, 10 & 11 of the Bono concourse completed. Gate 8 is currently under construction with an estimated completion date of March 1s. Gate 6 will be the next gate taken out of commission with an expected completion date in mid-March 2024.

Baggage Claim Expansion and Renovation (Updated February 19, 2024):

Background: This project was previously identified on the airport’s Capital Improvement Program (CIP) list for start in FY 2025.

Status: In process - design. In the Fall of 2022, Airport staff applied for a nation-wide competitive grant under the Airports Terminal Program (ATP) under the 2021 Bipartisan Infrastructure Law. Airport staff was notified on February 27th that PSP had been awarded a \$5.7M grant to partially fund expansion of baggage claim. Airport staff has determined that a Construction Manager at Risk (CMAR) project delivery methodology is appropriate for this project and Request for Proposal #34-23 was advertised. A contract award for Construction Manager at Risk to Skanska was approved by the City Council in July 2023 with a project budget of \$27M.

The Federal Aviation Administration notified airport staff in February that due to the ongoing environmental review process as a result of the Wexler terminal being listed on the National Register of Historic Places, the \$5.7 million grant announced to PSP in February of last year for the bag claim expansion was clawed back and reallocated to another airport. PSP is eligible to apply for future competitive grants, however that BIL terminal grant is no longer available to support funding of the bag claim expansion and future grants are not guaranteed. Airport staff have decided to continue with the project design and construction and will evaluate the timing of future projects on the airport’s capital program to ensure the bag claim project can be funded to 100%.

Sterile Area Shade Structures (updated January 11, 2024)

Background: This project aims to add shade structures post security to encourage broader use of the Airport during summer months. This project is partially funded through a grant facilitated by Visit Greater Palm Springs.

Status: Design. Concept design of the sterile area shade structures was completed and airport staff sought permits for construction in August. As a result of the Wexler Terminal being listed on the Federal Historic Preservation Register, the structures were subject to additional approvals and vetting before permits can be secured. A 100 percent design schedule was provided to airport staff for permitting and other relevant approvals. Anticipated construction and installation of structures is anticipated for late May/early June 2024.

Employee and Economy Parking Lots & Commercial Transit reconfiguration (updated December 11, 2023)

Background: This project aims to complete three objectives; 1) design and build a new employee parking lot west of the airport at El Cielo and Baristo; 2) convert the current overflow and employee lots to economy lots; and 3) make changes to commercial ground transportation staging areas. PSP’s focus is

on incorporating and improving technology thru these designs by introducing a new Parking and Revenue Control System, adding EV charging, and upgrading fiber capability to accommodate security improvements. Staff has been working thru state and federal programs to procure EV charging capability.

Status: In process. The airport has given direction to the consulting firm C and S to conduct a Project Definition Report with the aim of better defining scope and costs for construction. The airport has directed C and S to focus on Lot A, as well as the site at the corner of El Cielo and Baristo which is anticipated to be the future Employee Parking Lot. Airport staff have asked C and S to delay most study and analysis related to the current overflow lot at the south end of the airport until such time as there is a City Council approved terminal development alternative selected.

Restroom Renovations (updated December 11, 2023)

Background: City Council approved Airport staff to design and renovate all public restrooms airport wide in the FY 2023 budget. This would include demolition and replacement of all flooring and fixtures, upgrades to ventilation and lighting systems, and conversion of some restrooms to gender neutral facilities.

Status: In progress – Project Definition. Airport staff provided Gensler with Notice to Proceed with a project definition report for design and renovation of restrooms at the Bono concourse and in the courtyard areas while a decision and approval of a terminal development alternative is pending. These areas will be considered Phase I of the project. Airport staff intend to provide direction to Gensler to commence design upon City Council approval of a preferred terminal alternative.

Taxiway W and A1 Rehabilitation (updated December 11, 2023)

Background: This is an Airport Improvement Program (AIP) funded project to design and rehabilitate the Airport's primary commercial taxiway under the Pavement Management Program.

Status: In Design. The airport's on-call engineering firm RS&H completed surveying and destructive testing of the pavement to determine the project approach for rehabilitation. The rehabilitation design has been underway since March. RS&H has notified airport staff that 90% design is ready for airport review. The airport will meet with the RS&H team on December 12th for an updated. PSP is applying to the FAA for competitive discretionary funding which, if successful, would enable this project to move forward for construction in CY 2024.

Outbound Baggage Handling System Replacement: (Updated October 16, 2023)

Background: This project is intended to modify or replace the current outbound baggage handling system with a new inline baggage handling system to improve capacity and process efficiency, implement additional technology for bag tracking, reduce or eliminate single points of failure, and improve ergonomics.

Status: In process - design: City Council approved the selection of AECOM for inline outbound baggage handling system design services. AECOM is underway on design with expected 30% designs in late October. Airport staff and AECOM have held a number of meetings with TSA and FAA stakeholders to review initial concepts and seek input. Airport staff will be meeting with airline stakeholders in the

coming weeks to garner feedback on initial design concepts. The timing of federal funding suggests that PSP will target CY 2025 for construction.

Public Parking Electrification – Lot D (Updated October 16, 2023)

Background: Airport staff applied for the Southern California Edison electric vehicle charging infrastructure rebate program in the winter of 2022. The program is designed to provide no-cost infrastructure to enable Level 2 electric vehicle charging with the caveat that sponsors self-procure level 2 chargers.

Status: PSP was approved for expansion of electric infrastructure under the SCE rebate program. Request for Proposal #04-23 was issued on June 1st, 2023 for procurement of 40 level two chargers to serve 80 parking positions. Airport staff have ordered the Level 2 chargers which are set to arrive by the end of October. Staff is preparing a Request for Proposal to install the chargers once the infrastructure work has been completed by SCE. The airport anticipates that infrastructure work to commence in the late fall of 2023. Airport staff is developing costs recovery rate and fee plans for EV charging spaces and anticipates bringing proposals to the finance committee in the winter of 2023.

Program Updates

Feasibility Study for Federal Inspection Station (International Air Service) (Updated February 19, 2024)

Background: This two-phased study (partially funded by Visit Greater Palm Springs) seeks to analyze how small and medium hub airports have successfully constructed an FIS and expanded international routes to their facilities, and subsequently develop a business plan for expansion of Customs and Boarder Protection Services for commercial flights at PSP.

Status: In Process – Phase II; Airport staff gave InterVISTAS Notice to Proceed on Phase II of the study which involves a PSP-specific FIS plan on October 4, 2023. InterVISTAS has substantially completed the market demand analysis and the economic impact analysis of the study. Airport staff met with InterVISTAS to discuss the status of the study and to provide direction as required. InterVistas is now working with the airport’s master plan consultant to coordinate on facility site selection and environmental review. Airport staff is continuing discussions with Customs and Boarder Protection regional leadership about PSP plans to expand international air service and is currently working with airlines to garner additional data to support a request for CBP resources.



A Department of the City of Palm Springs

Palm Springs International Airport
3400 E. Tahquitz Canyon Way, Suite 1
Palm Springs, CA 92262-6966

flypsp.com
T: (760) 318-3800

DATE: February 21, 2024
TO: Chairman Dada and Airport Commissioners
FROM: Harry Barrett, Jr., Airport Executive Director
SUBJECT: Executive Director Report

Emerging Developments

Airport Reorganization – New FTEs (Updated February 19, 2024)

Background: The PS City Council adopted the FY 2024 and FY 2025 budgets on June 29th, which included the Airport's request for an additional 49 Full Time Equivalent positions. These positions included augmentation of current classifications to support growth, as well as new classifications to better align resources with airport needs.

Report: Airport staff and Human Resources (HR) have been coordinating on hiring priorities. Airport staff continues to recruit for the Deputy Director of Planning & Engineering. This position has been difficult to fill with candidates citing compensation as a critical barrier. Airport staff also continues to recruit for Executive Program Administrator (originally Commercial Properties Spec). New recruitments include Custodians and Maintenance Coordinators. The following positions have been filled since the last meeting: Executive Administrative Assistant, Accountant, and Administrative Specialist.

Commissioner request for agenda item to update on Persons without Legitimate Business & Unhoused Population (Updated February 19, 2024)

Background: Airport staff received a Commissioner request for ongoing updates surrounding the unhoused population at the Airport. The Airport has experienced an increase in persons without legitimate business within the terminal area, including unhoused persons living on the Airport campus and populating the terminal.

Report: Airport staff and the Police Department began enforcement of the Legitimate Business ordinance at midnight on March 12th. There was an immediate and noticeable decline in persons without legitimate business and unhoused individuals occupying the Airport property upon enforcement. The Airport can report that the situation remains unchanged and there has been no observed increase in persons without legitimate business dwelling in the terminals or public areas of the airport.

CVEP Accelerator Leases (Updated January 11, 2024)

Background: In 2017, the previous City administration negotiated a management agreement with the Coachella Valley Economic Partnership (CVEP) to sublease and manage buildings and land on airport property at the corner of N Civic Drive and E Alejo Rd. CVEP recently amended their agreement with the city to exclude Airport property and transfer leases back to PSP staff to manage.

Report: Airport staff is in the process of administratively reviewing the leases for consistency with Federal Aviation Regulations governing land use. New month-to-month leases are in the process of being drafted and current occupants are being notified of the change in landlord. Airport staff is also coordinating to have the facilities inspected to ensure suitability for continued occupancy. Airport staff recently issued a Purchase Order to conduct appraisals to determine Fair Market Value rental rates. Once completed, current tenants will be notified of new rates and airport staff will execute month-to-month agreements. This area is subject to future land use restrictions due to changes to the Airport Layout Plan which is expected to be approved for the FAA in Q4 2024.

ITEM 11.A - PAST CITY COUNCIL ACTIONS

Airport Commission Meeting of February 21, 2024

[City Council Meeting of January 25, 2024:](#)

I. CONSENT CALENDAR

SUBJECT

APPROVE CONSULTING SERVICE AGREEMENTS FOR INLINE BAGGAGE HANDLING SYSTEM CONSTRUCTION MANAGEMENT SERVICES FOR THE PALM SPRINGS INTERNATIONAL AIRPORT

RECOMMENDATION:

1. Approve Consulting Services Agreement No. 24Q002 (Attachment A) with Mead & Hunt, Inc. to provide construction management services for the inline baggage handling system and related building improvements for an amount not to exceed \$3,000,000 for a term of approximately three years.
2. Appropriate and budget funds in the amount of \$3,000,000 from the Airport Special Capital Project Fund Account 4167065.80000.
3. Authorize the City Manager or designee to execute all necessary documents and authorize the Executive Director of Aviation to execute all task orders that fall within the total-not-to-exceed amount of the agreement.

Attachments

[Item 1.H](#)

3. BUSINESS & LEGISLATIVE

SUBJECT

APPROVAL OF THE AIRPORT MASTER PLAN TERMINAL DESIGN FOR THE PALM SPRINGS INTERNATIONAL AIRPORT

RECOMMENDATION:

Review the Airport Master Plan terminal design alternatives 1A and 3 and approve the Airport Master Plan terminal design for the Palm Springs International Airport.

Attachments

[Item 3A](#)

ITEM 11.B - FUTURE CITY COUNCIL ACTIONS

Airport Commission Meeting of February 21, 2024

February 29, 2024

- EMD Construction Inc. – On-call general contracting services
- Frasca & Associates, LLC – Financial consulting services
- Measure J Projects
- Taxiway Rehabilitation Construction

March 14, 2024

- Arconas Corporation – Seating for Cactus to Clouds

Palm Springs International Airport

MONTHLY PASSENGER ACTIVITY REPORT - 2024									
	Enplaned			Deplaned			Total Passengers		
	2024	2023	% Change	2024	2023	% Change	2024	2023	% Change
January	167,926	169,746	-1.1%	168,852	171,910	-1.8%	336,778	341,656	-1.4%
February		184,973	-100.0%		188,877	-100.0%	-	373,850	-100.0%
March		223,314	-100.0%		226,832	-100.0%	-	450,146	-100.0%
April		200,753	-100.0%		178,600	-100.0%	-	379,353	-100.0%
May		129,695	-100.0%		116,491	-100.0%	-	246,186	-100.0%
June		71,635	-100.0%		66,826	-100.0%	-	138,461	-100.0%
July		63,647	-100.0%		60,689	-100.0%	-	124,336	-100.0%
August		59,309	-100.0%		59,947	-100.0%	-	119,256	-100.0%
September		73,813	-100.0%		77,748	-100.0%	-	151,561	-100.0%
October		126,702	-100.0%		133,106	-100.0%	-	259,808	-100.0%
November		162,180	-100.0%		165,290	-100.0%	-	327,470	-100.0%
December		158,245	-100.0%		166,997	-100.0%	-	325,242	-100.0%
Year to Date	167,926	1,624,012	-1.1%	168,852	1,613,313	-1.8%	336,778	3,237,325	-1.4%

Palm Springs International Airport

Best Month Comparison						
ENPLANEMENTS						
	2020	2021	2022	2023	2024	Vs Best Mo
Jan	136,157	39,614	118,204	169,746	167,926	-1.1%
Feb	156,909	57,530	142,206	184,973		-100.0%
Mar	113,166	107,577	202,993	223,314		-100.0%
Apr	5,811	111,376	185,946	200,753		-100.0%
May	10,751	92,820	123,736	129,695		-100.0%
Jun	14,827	66,885	73,861	71,635		-100.0%
Jul	17,231	65,869	68,071	63,647		-100.0%
Aug	18,389	58,793	65,368	59,309		-100.0%
Sep	23,087	65,682	79,599	73,813		-100.0%
Oct	41,597	108,923	120,659	126,702		-100.0%
Nov	52,874	135,677	160,129	162,180		-100.0%
Dec	41,517	136,897	159,846	158,245		-100.0%
TOTAL	632,316	1,047,643	1,500,618	1,624,012	167,926	
% Chg.	-50.89%	65.68%	43.24%	8.22%		
TOTAL PASSENGERS						
	2020	2021	2022	2023	2024	Vs Best Mo
Jan	276,099	79,082	237,388	341,656	336,778	-1.4%
Feb	320,906	120,657	292,336	373,850		-100.0%
Mar	198,850	214,477	403,883	450,146		-100.0%
Apr	10,082	215,777	358,115	379,353		-100.0%
May	19,154	174,535	233,239	246,186		-100.0%
Jun	28,748	129,872	142,524	138,461		-100.0%
Jul	33,776	129,463	133,664	124,336		-100.0%
Aug	36,482	117,952	129,952	119,256		-100.0%
Sep	47,915	136,666	162,834	151,561		-100.0%
Oct	88,777	225,991	247,457	259,808		-100.0%
Nov	108,043	271,944	319,237	327,470		-100.0%
Dec	83,262	276,527	321,215	325,242		-100.0%
TOTAL	1,252,094	2,092,943	2,981,844	3,237,325	336,778	
% Chg.	51.17%	67.16%	42.47%	8.57%		

Palm Springs International Airport

**ACTIVITY BY AIRLINE
JANUARY 2024**

AIRLINES	2024 Enplaned	2023 Enplaned	Enplaned % Change	2024 Deplaned	2023 Deplaned	Deplaned % Change	2024 Total	2023 Total	Total % Change	(E & D) Market Share
Air Canada	5,595	4,059	37.8%	5,267	5,198	1.3%	10,862	9,257	17.3%	3.2%
Alaska	31,030	30,076	3.2%	30,481	28,992	5.1%	61,511	59,068	4.1%	18.3%
American	23,536	23,613	-0.3%	24,617	24,426	0.8%	48,153	48,039	0.2%	14.3%
Avelo	2,498	2,786	-10.3%	2,486	2,741	-9.3%	4,984	5,527	-9.8%	1.5%
Delta Air	16,245	14,649	10.9%	16,443	15,271	7.7%	32,688	29,920	9.3%	9.7%
Mesa (AA)	-	572	-100.0%	-	628	-100.0%	-	1,200	-100.0%	0.0%
SkyWest (Delta Connection)	5,415	5,622	-3.7%	5,936	5,916	0.3%	11,351	11,538	-1.6%	3.4%
SkyWest (United Express)	8,416	8,317	1.2%	7,922	8,385	-5.5%	16,338	16,702	-2.2%	4.9%
SkyWest (AA)	4,784	2,498	91.5%	4,108	2,246	82.9%	8,892	4,744	87.4%	2.6%
Southwest Air	29,154	28,126	3.7%	28,435	27,693	2.7%	57,589	55,819	3.2%	17.1%
United	19,643	22,085	-11.1%	19,723	21,929	-10.1%	39,366	44,014	-10.6%	11.7%
WestJet	16,592	18,189	-8.8%	18,053	18,734	-3.6%	34,645	36,923	-6.2%	10.3%
Allegiant Air	1,175	2,382	-50.7%	1,151	2,467	-53.3%	2,326	4,849	-52.0%	0.7%
ExpressJet	-	-	-100.0%	-	-	-100.0%	-	-	-100.0%	0.0%
Flair Air	-	1,689	-100.0%	-	1,311	-100.0%	-	3,000	-100.0%	0.0%
JetBlue	404	1,778	-77.3%	353	1,951	-81.9%	757	3,729	-79.7%	0.2%
MN Airlines (Sun Country)	3,439	3,305	4.1%	3,877	4,022	-3.6%	7,316	7,327	-0.2%	2.2%
Charters	-	-	-100.0%	-	-	-100.0%	-	-	-100.0%	0.0%
TOTAL	167,926	169,746	-1.1%	168,852	171,910	-1.8%	336,778	341,656	-1.4%	100.0%

Palm Springs International Airport

ENPLANED & DEPLANED PASSENGERS - FY 2023 2024													
ENPLANED PASSENGERS													
Airlines	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FYTD
Air Canada	-	-	-	335	5,670	5,059	5,595						16,659
Alaska	11,339	9,923	11,493	25,541	30,823	30,980	31,030						151,129
American	13,695	14,400	15,596	20,342	23,979	22,963	23,536						134,511
Avelo Air	-	-	-	-	2,477	2,528	2,498						7,503
Delta Air	-	-	392	3,945	5,840	11,659	16,245						38,081
SkyWest (Delta Connection)	4,267	4,070	5,050	5,668	5,403	5,466	5,415						35,339
SkyWest (United Express)	8,606	8,448	9,630	7,470	8,324	7,057	8,416						57,951
SkyWest (American Air)	3,691	2,630	3,055	5,390	5,314	3,887	4,784						28,751
Southwest Air	17,851	15,667	19,382	25,155	29,421	25,412	29,154						162,042
United			4,656	17,089	20,427	19,345	19,643						81,160
WestJet	4,198	4,171	4,058	11,646	16,585	16,441	16,592						73,691
Allegiant Air	-	-	-	1,331	1,457	1,173	1,175						5,136
JetBlue	-	-	-	175	3,284	2,640	404						6,503
MN Airlines (Sun Country)	-	-	501	2,615	3,176	3,635	3,439						13,366
<i>Charters</i>	-	-	-	-	-	-	-						-
TOTAL ENPLANED	63,647	59,309	73,813	126,702	162,180	158,245	167,926	-	-	-	-	-	811,822
DEPLANED PASSENGERS													
Airlines	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	FYTD
Air Canada	-	-	-	533	5,771	5,293	5,267						16,864
Alaska	10,590	10,605	12,779	27,568	30,674	31,911	30,481						154,608
American	13,171	14,104	15,246	20,434	24,029	24,431	24,617						136,032
Avelo Air					2,560	2,553	2,486						7,599
Delta Air			671	3,917	5,840	13,161	16,443						40,032
SkyWest (Delta Connection)	3,959	3,996	5,299	5,741	5,467	5,416	5,936						35,814
SkyWest (United Express)	8,016	8,498	10,039	7,711	8,827	7,852	7,922						58,865
SkyWest (American Air)	3,492	2,666	2,997	5,463	5,120	3,818	4,108						27,664
Southwest Air	17,428	16,060	20,799	25,891	30,654	28,082	28,435						167,349
United			4,971	17,220	20,384	20,040	19,723						82,338
WestJet	4,033	4,018	4,366	13,554	17,883	16,173	18,053						78,080
Allegiant Air				1,728	1,468	1,129	1,151						5,476
JetBlue				322	3,143	3,173	353						6,991
MN Airlines (Sun Country)			581	3,024	3,470	3,965	3,877						14,917
<i>Charters</i>	-	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL DEPLANED	60,689	59,947	77,748	133,106	165,290	166,997	168,852	-	-	-	-	-	832,629
TOTAL E & D	124,336	119,256	151,561	259,808	327,470	325,242	336,778	-	-	-	-	-	1,644,451

PASSENGER ACTIVITY REPORT - FISCAL YEAR COMPARISON

	ENPLANED PASSENGERS						DEPLANED PASSENGERS						TOTAL PASSENGERS								
	FY '23-'24	% CHANGE	FY '22-'23	% CHANGE	FY '21-'22	% CHANGE	FY '20-'21	FY '23-'24	% CHANGE	FY '22-'23	% CHANGE	FY '21-'22	% CHANGE	FY '20-'21	FY '23-'24	% CHANGE	FY '22-'23	% CHANGE	FY '21-'22	% CHANGE	FY '20-'21
July	63,647	↓ -6%	68,071	↑ 3%	65,869	↑ 282%	17,231	60,689	↓ -7%	65,593	↑ 3%	63,594	↑ 284%	16,545	124,336	↓ -7%	133,664	↑ 3%	129,463	↑ 283%	33,776
August	59,309	↓ -9%	65,368	↑ 11%	58,793	↑ 220%	18,389	59,947	↓ -7%	64,584	↑ 9%	59,159	↑ 227%	18,093	119,256	↓ -8%	129,952	↑ 10%	117,952	↑ 223%	36,482
September	73,813	↓ -7%	79,599	↑ 21%	65,682	↑ 184%	23,087	77,748	↓ -7%	83,235	↑ 17%	70,984	↑ 186%	24,828	151,561	↓ -7%	162,834	↑ 19%	136,666	↑ 185%	47,915
October	126,702	↑ 5%	120,659	↑ 11%	108,923	↑ 162%	41,597	133,106	↑ 5%	126,798	↑ 8%	117,068	↑ 148%	47,180	259,808	↑ 5%	247,457	↑ 9%	225,991	↑ 155%	88,777
November	162,180	↑ 1%	160,129	↑ 18%	135,677	↑ 157%	52,874	165,290	↑ 4%	159,108	↑ 17%	136,267	↑ 147%	55,169	327,470	↑ 3%	319,237	↑ 17%	271,944	↑ 152%	108,043
December	158,245	↓ -1%	159,846	↑ 17%	136,897	↑ 230%	41,517	166,997	↑ 3%	161,369	↑ 16%	139,630	↑ 234%	41,745	325,242	↑ 1%	321,215	↑ 16%	276,527	↑ 232%	83,262
January	167,926	↓ -1%	169,746	↑ 44%	118,204	↑ 198%	39,614	168,852	↓ -2%	171,910	↑ 44%	119,184	↑ 202%	39,468	336,778	↓ -1%	341,656	↑ 44%	237,388	↑ 200%	79,082
February		↓ -100%	184,973	↑ 30%	142,206	↑ 147%	57,530		↓ -100%	188,877	↑ 26%	150,130	↑ 138%	63,127	-	↓ -100%	373,850	↑ 28%	292,336	↑ 142%	120,657
March		↓ -100%	223,314	↑ 10%	202,993	↑ 89%	107,577		↓ -100%	226,832	↑ 13%	200,890	↑ 88%	106,900	-	↓ -100%	450,146	↑ 11%	403,883	↑ 88%	214,477
April		↓ -100%	200,753	↑ 8%	185,946	↑ 67%	111,376		↓ -100%	178,600	↑ 4%	172,169	↑ 65%	104,401	-	↓ -100%	379,353	↑ 6%	358,115	↑ 66%	215,777
May		↓ -100%	129,695	↑ 5%	123,736	↑ 33%	92,820		↓ -100%	116,491	↑ 6%	109,503	↑ 34%	81,715	-	↓ -100%	246,186	↑ 6%	233,239	↑ 34%	174,535
June		↓ -100%	71,635	↓ -3%	73,861	↑ 10%	66,885		↓ -100%	66,826	↓ -3%	68,663	↑ 9%	62,987	-	↓ -100%	138,461	↓ -3%	142,524	↑ 10%	129,872
YTD	811,822	↓ -50%	1,633,788	↑ 15%	1,418,787	↑ 112%	670,497	832,629	↓ -48%	1,610,223	↑ 14%	1,407,241	↑ 113%	662,158	1,644,451	↓ -49%	3,244,011	↑ 15%	2,826,028	↑ 112%	1,332,655

ITEM 13.A - FUTURE COMMITTEE MEETINGS

Airport Commission Meeting of February 21, 2024

Date	Time	Committee
March 11, 2024	3:00 P.M.	Marketing and Business Development Committee
April 17, 2024	5:00 P.M.	Noise Committee
TBD	TBD	Ad Hoc Design Review Committee
TBD	TBD	Budget and Finance Committee
TBD	TBD	Operations, Properties and Facilities Committee

AIRPORT COMMITTEES FY2023-24

REVISED 1-11-24

REPRESENTING	COMMISSIONERS	Marketing (7 Members)	Budget (7 Members)*	Operations (7 Members)	Noise (5 Members)	Ad Hoc Design Review (5 Members)*
Indian Wells	BERRIMAN, Robert			Member		
Palm Springs	BURKE, Todd	Chair			Member	Member
Palm Springs	CALDWELL, Daniel	Member		Member		
Palm Springs	CORCORAN, Kevin		Member		Member	Chair
Palm Springs	DADA, Aftab					
Palm Springs	FELTMAN, David			Chair		Member
Palm Springs	FONG, J Craig	Member			Member	
La Quinta	HUGHES, Kathleen	Member				
Palm Springs	MARTIN, Tracy		Chair			
Cathedral City	MICHAELIS, Tony		Member		Member	
Riverside County	PARK, Margaret			Member		
Desert Hot Springs	PYE, Jan		Member	Member		
Palm Springs	SUERO, Guillermo	Member				
Palm Desert	WISEMAN, Kevin	Member		Member	Member	Member
Indio	WISE, Rick	Member	Member			
Rancho Mirage	YOUNG, Keith		Member	Member		

*Budget & Finance Committee has one (1) vacancy

Ad Hoc Design Review Committee has one (1) vacancy

AIRPORT MASTER PLAN

WORKING GROUP REVISED 1-19-24

REPRESENTING	COMMISSIONERS
Palm Springs	CORCORAN, Kevin
Palm Springs	DADA, Aftab
Palm Desert	WISEMAN, Kevin
Rancho Mirage	YOUNG, Keith