



AIRPORT COMMISSION

ACTION SUMMARY MINUTES OF ADJOURNED MEETING

WEDNESDAY, DECEMBER 21, 2016

1. **CALL TO ORDER:** Chairman Wachs called the Airport Commission Meeting to order at 08:00 A.M.

2. **POSTING OF THE AGENDA:** Posted on December 15, 2016.

3. **ROLL CALL:**

Commissioners Present: Berriman, Betts, Bushore, Call, Fabricant, Freymuth, Hampton, Hoehn, Horner, Johnson, King, Riesen, Spike, Stelk, Suero, Teal.

Commissioners Absent: Jones

Staff Present: Airport Executive Director Nolan, Assistant Airport Director Aguirre, Director of Finance and Treasury Kiehl, Deputy Director of Aviation - Operations and Maintenance Bowser, Airport Administration Manager Jucht, Airport Operations Manager Graff, Executive Administrative Assistant Seery.

4. **ACCEPTANCE OF THE AGENDA:** Accept the Agenda as presented. **Moved and seconded, and unanimously carried noting the absence of Commissioner Jones.**

5. **PUBLIC COMMENTS:**

Mr. Eric Chiel presented a new guide to Palm Springs neighborhoods entitled "ONE-PS" published by Palm Springs Life.

6. **APPROVAL OF MINUTES:**

The minutes of the Regular Meeting held on November 16, 2016, were presented for approval. **Moved and seconded.**

AYES: Berriman, Bushore, Call, Fabricant, Freymuth, Hampton, Hoehn, Horner, Johnson, Riesen, Spike, Stelk, Teal.

ABSTAIN: Betts, King, Suero

ABSENT: Jones

7. **INTRODUCTIONS:**

Executive Director Nolan announced the retirement of Mr. Ken Sharp, Manager of the Air Traffic Control Tower, and introduced his successor, Ms. Dianna Johnston.

Ms. Johnston explained how she has twenty years of experience in the busiest Air Traffic Control Towers in the world including Atlanta and Los Angeles.

Chairman Wachs welcomed the newly appointed Cathedral City representative to the Palm Springs International Airport Commission, Mr. Mitchell Spike.

Commissioner Spike explained how he is a retired lieutenant from the Palm Springs Police Department where he served for 32 years. That he became interested in this Commission because he obtained his private pilot license at PSP in 1983, has been flying ever since out of PSP and is a currently tenant of Atlantic Aviation where he and a partner started the first equity flying club at Palm Springs Airport. How he also flies for the Civil Air Patrol and was a liaison and a pilot for the police air squadron for twenty years. How this airport had special meaning for him and how by serving as a Commissioner it would be a way for him to give back.

8. PRESENTATIONS:

In a PowerPoint presentation form, Executive Director Nolan first showed a photo of the USO acapella singers performing in the terminal lobby decorated for the holidays. This was followed by a picture of a meet and greet scene.

A video about drones issued by the FAA was then shown. It contained information about registering the devices at FAA.GOV/UAS, and the need to respect safety regulations when operating them.

The next slide showed a JetBlue advertisement promoting Palm Springs on a New York subway platform.

The following slides showed the Palm Springs International Airport local advertising campaign promoting Palm Springs' 18 nonstop destinations in the USA and Canada. The campaign which will run from November 1, 2016, to February 28, 2017, includes rotating slots on digital billboards at six major locations in the Valley as well as a radio campaign.

With the next slides Mr. Nolan related the inaugural of the Air Canada Rouge Toronto service on December 14, 2016. This seasonal service will last until April 30, 2017, with three flights a week operated with a 136-seat Airbus 319.

9. CITY MANAGER REPORT: None

10. BUDGET AND FINANCE REPORT:

Director of Finance and Treasury Kiehl presented the November 2016 financial summary.

Mr. Kiehl explained how historically this month is the low point of the year in terms of revenue, but the earnings are still \$100,000 higher than last year. How revenues are up slightly and expenditures are down. How we are on course and expect to show \$4 to \$5 million in revenue by the end of the year.

Mr. Kiehl announced that the financial audit had been found faultless and a draft should be available this month.

Commission Chairman Wachs inquired about the YTD 60 per cent increase in landing fees revenues.

Airport Administration Manager Jucht explained how JetBlue had started their operations sooner this winter for instance, but how this figure is in fact impacted by the timing of the postings.

Commission Chairman Wachs asked why the expenses for security reflect a YTD increase of 21 per cent.

Director of Finance and Treasury Kiehl explained that some police officers retired and a pay out of accrued benefits, which sometimes can build up over several years, occurred causing this sudden expense increase.

Commissioner Spike pointed out that the police and fire department have a lot of senior personnel.

Commissioner Suero pointed out the large payment on the 2006 PFC bond bringing the total at 79 per cent of the projected budget for 2016-17.

For the benefit of new commissioners, Mr. Kiehl explained how the bond payments have been made faster due to higher revenues.

ACTION: Accept the financial report. **Moved and seconded, and unanimously carried noting the absence of Commissioner Jones.**

11. DISCUSSION AND ACTION ITEMS:

11.A Air Canada Toronto Service Marketing Incentive Program Award

Executive Director Nolan explained how Air Canada Rouge is increasing Palm Springs International Airport's capacity to Toronto by over 50 per cent which qualifies them for a marketing fund incentive of up to \$10,000 per month for up to a five-month period.

Mr. Nolan explained how this is the continuation of a program started five years ago which has resulted in 17 enhanced or new airline services.

Mr. Nolan further emphasized that before any marketing reimbursement can occur, airlines are required to submit evidence of marketing the Palm Springs brand, including receipts. How Canada has been a very strong growing market for Palm Springs with five Canadian destinations currently and competition now on two cities by Air Canada and WestJet.

Chairman Wachs inquired about the balance in the incentive program account after this incentive.

Airport Administration Manager Jucht explained that there would be approximately \$230,000 remaining.

ACTION: Recommend to accept the **Air Canada Toronto Service Marketing Incentive Program Award**

Moved and seconded, and unanimously carried noting the absence of Commissioner Jones.

11.B. Terminal Ticketing Project Update

Mr. Nolan explained how the terminal ticketing renovation project is at the 20 per cent schematic design level.

Commissioner King, Chairman of the Airport Operations, Properties and Facilities Committee, explained how Mr. Nolan and the design team presented the project details and the Committee endorsed its direction.

Mr. Kurt Ingraham of the firm WSP Parsons Brinckerhoff, and Project Manager for the terminal ticketing update, did an abbreviated presentation in a PowerPoint fashion. Mr. Nolan also explained and commented.

Mr. Ingraham first presented the objectives: Improved customer experience, creation of additional public space, additional TSA screening space, improved baggage screening, modernization of airline ticket counter positions, optimization of airline ticket office space, and leveraging common use opportunities where logical.

With regard to improved baggage screening Executive Director Nolan explained that while operating at average efficiency PSP has amongst the largest ratio of oversized bags in the nation because of golf bags requiring a fair amount of manual handling.

Mr. Ingraham commented that this airport, built in the 60s, had to change the baggage screening methods quickly after 9-11-01, and while it has worked, it is confining in its current space.

With regard to modernizing the airlines' ticket counters positions, Mr. Ingraham explained how airlines either have a designated area or use a common use system

for their ticket counter operations which allow more mobility and better adaptability to needs. He explained how Palm Springs would be cabled to allow airlines in the future to opt for this system if they so choose.

Executive Director Nolan explained how not all airlines support common use and only a portion of the counters terminal would be wired for common use initially with the possibility of easily expanding the service in the future. He further explained how common use would also allow flexibility of boarding gate usage.

Mr. Nolan expounded on the airlines' ticket office space and explained how the current offices were built in the 70s and were sized for the traffic at that time. How quick turn low cost carriers do not want a lot of space while legacy carriers still do. How this remodel will allow the airport to start from scratch and collaborate with the airlines to define the type of space that best suits their needs.

Mr. Nolan addressed employee screening and explained how while we have a state-of-the-art security system the Federal government will likely mandate in the future that all employees be screened like passengers before accessing sterile areas. And as the area is being remodeled it's an appropriate time to address the physical space in anticipation of future rulings.

Mr. Ingraham then explained how four concepts were developed for the remodeling of the baggage screening systems. The preferred option uses all the screening devices currently in place (seven) which would be relocated in back of the north ticketing structure in a location which is now an open baggage make-up area. This option concentrates the screening in one area, feeding baggage into two output carousels, and all baggage carousels are linked to offer redundancy should a carousel fail.

Executive Director Nolan explained that this walled screening area would be well isolated from a security perspective, with no access for airline personnel as is currently the case. That this more sterile environment would increase the integrity of bag oversight. That because these machines are extremely sensitive to environmental conditions, temperature, humidity and dust have to be controlled, and because of the amount of ingress and egress today due to the current open configuration, this causes higher false alarms that can slow the screening process.

Mr. Nolan explained how in the consensus building process they met with the TSA long before this conceptual development and how the TSA's concept matched the preferred alternative.

Commissioner Hampton asked how the bags would be sorted when simultaneous flights are leaving.

Mr. Ingraham explained how different color tags would be used and scanned by an automatic reader, as is done at other airports, and would be fed to the two output carousels accordingly.

Mr. Nolan added that the two output carousels would offer better ergonomics as they will facilitate the retrieval of bags by allowing ramp personnel to pull up alongside them with baggage containers in tow and drive off without having to maneuver the carts manually when they are full.

Commissioner Berriman asked if the feeds were above or below ground.

Mr. Ingraham confirmed they would be both; underground from the curbside drop-off points, and how these will help in the functionality during construction; at ground level at the counters and above ground in areas requiring walking or driving under them such as by the rear baggage output carousels where they will reach 8 foot 2.

Commissioner Betts asked if this was injecting new or existing automation.

Mr. Nolan explained that it would be a bit of both, that the current equipment is decades old and this would introduce newest technologies from belt bearing systems to belt motors. That this would not be a fully integrated system as in Los Angeles or Denver but a mini-hybrid of this system, that even with the advent of technology these modern systems can still break down and we are wise to avoid such a sophisticated system which the airlines are also not interested in here in Palm Springs as a small hub airport.

The next slide covered airline ticket offices and operations spaces and Mr. Ingraham showed the existing configuration.

With the following slide, Mr. Ingraham pointed out two areas, one which would be permanent under the Bono concourse and the second, a modular structure in back of the airlines' baggage make-up area, which would replace the office spaces lost to construction in the ticket wing.

Mr. Nolan pointed out an area by the curb before reaching the south terminal which could be dedicated to baggage check-in from a vehicle. This, however, is only conceptual at this time, and Palm Springs International Airport would be the first airport to adopt such a system, and of course this is predicated on project budget parameters.

The next slide was an enlarged view of the employee security screening points and the modular structure which would temporarily house office space during construction.

Next, Mr. Ingraham showed an enlarged view of the eight office spaces and miscellaneous storage areas to be built under the Bono concourse.

The following slides addressed the construction phasing alternatives based on time, cost and impact with construction of only small enabling projects in the summer of 2017, the major construction of the north hall in summer 2018 with airlines operating from the south wing which will have common use capabilities.

The next slides addressed the subject of common use, the needs for some level of common use, the integration of common use into PSP systems and common use related technology. Mr. Nolan indicated that the airlines are currently split on the subject which prompted the decision to consider activation of only half the facility for common use for the time being.

Mr. Ingraham then presented the schematic interior layout of the ticket counter space in three renderings. He indicated that the ceiling space could be heightened to 11 feet, above the current tray ceiling, and give the ticketing hall a more spacious feel, and a ceiling made of a metal grate would help improve acoustics. How existing beams and columns have to remain in place, and how at other airports airlines used kiosks around such columns, with wiring pulled from the ceiling.

Mr. Ingraham pointed out an area opposite the ticket counters which could house wheelchairs behind a pony wall instead of having them stored in full view curbside. He pointed out LED screens above and behind the check-in positions which will be useful for common use identification or airline specific information.

Mr. Nolan added that the ability to tailor messages on screens would enhance the efficiency of the check in process and be a convenience to passengers.

With the third rendering, Mr. Nolan explained how it was important to homogenize the ticket counter design to offer architectural continuity.

Mr. Ingraham pointed out that the floor will be a tray floor where wiring would be laid to power pods of kiosks in front of any counter.

Commissioner Betts remarked on the arrival and departures Flight Information Display Screens font being too small and asked if the font could be enlarged when renovations are done, to which Mr. Ingraham agreed.

Commissioner Johnson asked if seating would be removed from the ticket counter area to accommodate the storage of wheelchairs.

Executive Director Nolan explained how we do not currently have seating there as it would impede the traffic flow.

Commissioner Johnson commented on seating being removed from the baggage claim area a few years ago and how it affects people with mobility problems and explained how our passengers are older than the national average.

Executive Director Nolan explained there still is ample seating in the area which used to house the USO and how with the upcoming renovations, more seating will be provided.

12. COMMISSIONERS REQUESTS AND REPORTS:

Commissioner Stelk explained how this year the Marine base has decided to charter busses for troops' personal travel to Los Angeles, Ontario and Las Vegas airports. There can be as many as 30,000 troops traveling per year.

Vice Chairman Hoehn commented on the CVB agreement with American Airlines in 2014 to start their Chicago service sooner by offering a guarantee, and how it did not cost the CVB anything that year. How the agreement was renewed in 2015 with a different amount and the CVB ended up participating to a small extent. How in 2016, the amount was increased again and the Chicago flight was extremely successful in October with load factors exceeding 90% in and out. How it is a very positive program that the CVB is putting forth with Mr. Nolan's help and support.

Commissioner Call, who also serves as Chairman of the Airport Volunteer Navigators program, invited Commissioners to volunteer for four-hour shifts and shadow navigators as it would be a great way to see the operation and experience life at the airport.

Commissioner Fabricant, who also serves as a navigator, wholeheartedly supported this invitation.

Chairman Wachs brought up a newspaper article, a J.D. Power survey on large and medium airports, and commented on the importance of passenger satisfaction about, among other amenities, the baggage claim areas.

Commissioner Riesen mentioned that the Air Museum was building the next wing.

13. EXECUTIVE AND STAFF REPORTS:

Airport Executive Director Nolan reported on the following topics:

In 2017, in addition to the enabling projects for the terminal, the airport will undertake taxiway J pavement overlay and work on electrical systems on the runways, all funded under an AIP grant.

The airport is still in negotiation for the scope of work for the rental car project and having a separate feasibility study done to ensure the lowest cost.

The revolving doors installed a year ago at the exit of the sterile area have been very effective in providing a great air seal and have significantly abated the amount of dust which used to infiltrate the building through the former sliding doors.

In February, Mr. Nolan will be visiting about six airlines with Mr. Canfield, Executive Director of the Palm Springs Bureau of Tourism.

14. REPORT OF CITY COUNCIL ACTIONS:

11-16-16: 1.D. Second reading and adoption of ordinance No. 1906 relating to permitting Transportation Network Companies to operate at the Palm Springs International Airport. **1.G.** Ratify and appoint the nomination of the city of Cathedral City representative to the Palm Springs International Airport Commission for the term ending June 30, 2018.

12-07-16: 1.J. Approve an agreement with Ricondo & Associates for airport consulting services in the amount of \$309,425.

15. CORRESPONDENCE: None.

16. RECEIVE AND FILE:

ACTION: Receive and file: 16.A November Activity Report; 16.B January 2017 Airline Schedule.

Moved and seconded, and unanimously carried noting the absence of Commissioner Jones.

ADJOURNMENT:

Motion to adjourn. **Moved and seconded, and unanimously carried noting the absence of Commissioner Jones.**

The Airport Commission adjourned at 09:12 A.M. to Wednesday, January 18, 2017, at 08:00 A.M., in the airport conference room, 3400 E. Tahquitz Canyon Way, Palm Springs.

N.S

Nadia P. Seery
Executive Administrative Assistant