



AIRPORT COMMISSION

ACTION SUMMARY MINUTES OF ADJOURNED MEETING

Wednesday, October 10, 2018

1. CALL TO ORDER:

Chairman Wachs called the Airport Commission Meeting to order at 8:05 A.M. and led the Pledge of Allegiance.

2. POSTING OF THE AGENDA: Posted on October 4, 2018.

3. ROLL CALL:

Commissioners Present: Berriman, Breslin, Call, Clarkson, Freymuth, Hedrick, Hoehn, Hughes, Pattison, Pye (arrived late), Riesen, Schmitz.

Commissioners Absent: Altman, Dada, Jones, King.

Staff Present: City Manager Ready, Airport Executive Director Nolan, Assistant Airport Director Aguirre, Airport Deputy Director Operations and Maintenance Bowser, Airport Administration Manager Jucht, Airport Operations Manager Graff, Airport Executive Administrative Assistant Seery, City Accountant Celeste Reed.

Others Present:

4. ACCEPTANCE OF THE AGENDA:

ACTION: Accept the Agenda as presented. **Moved and seconded and unanimously carried noting the absence of Commissioners Altman, Dada, Jones, King.**

5. PUBLIC COMMENTS: None.

6. APPROVAL OF MINUTES:

The minutes of the Regular Meeting held on September 12, 2018, were presented for approval. **Moved and seconded.**

AYES: Breslin, Call, Clarkson, Freymuth, Hedrick, Hoehn, Hughes, Schmitz.

NOES: Nil

ABSTAIN: Berriman, Pattison, Pye, Riesen

ABSENT: Altman, Dada, Jones, King.

Chairman Wachs read an email from Commissioner Hunter Johnson announcing his immediate resignation due to his relocation to Mexico.

7. INTRODUCTIONS: None

8. PRESENTATIONS:

With the aid of a PowerPoint, Executive Director Nolan showed photos of Airport Operations staff performing various duties on the airport field and explained those duties in detail.

Mr. Nolan then showed the progression of the construction of airline office space under the Bono concourse from March 2018 until its completion in September 2018. How this is phase one for the ticketing wing reconstruction project.

9. CITY MANAGER REPORT:

City Manager Ready asked the Commission to start discussing today the cannabis possession issue at airports, have a further discussion in a committee setting, then present a recommendation to Council after next month's Airport Commission meeting.

10. BUDGET AND FINANCE REPORT:

Airport Administration Manager Jucht presented the September 2018 Financial Summary.

Mr. Jucht explained how Fund 405 - CFCs, revenues deriving from car rentals, have more than doubled for the first three months of the year compared to last year and stand at over \$19 million; How fund 410 - PFCs reflect a increase in airline ticket sales, they generate \$4.50 per ticket to the airport. How Fund 415 - General Airport Revenues - is up by \$1 million compared to last year. However, these figures are preliminary as all invoices have not yet been received for September and various postings will still be made, but how trends in general are strong and look very positive.

How for Fund 416 – Revenues from AIP Grant funds – the airport collected \$455,000 year to date. Mr. Jucht explained that as expenses come in, such as for the construction of the Bono offices, the FAA immediately reimburses the airport 90%.

How on the PFC debt refund, last year at this time, the airport had repaid \$1.6 million compared to \$331,000 only this year. How additional repayments will occur between now and the end of the year. This fund stands at \$2.6 million. As additional revenues from PFCs are generated, the principal is paid off and that will be a major fund source for some of our future projects.

Mr. Jucht concluded that general revenues are tracking very well primarily because airline traffic is up and funds are where expected.

Commissioner Pye arrived at 8:20 A.M.

11. DISCUSSION AND ACTION ITEMS:

11.A California Proposition 64 – Airport Possession Policy

Executive Airport Director Nolan, read the staff report summary: “This action concerns the matter of California’s Proposition 64 (Legalized marijuana) and the Palm Springs International Airport’s consideration of a policy addressing passenger possession while at the airport and transitioning into federal airspace and other states.”

Mr. Nolan explained how California allowed the use of marijuana but how other states and the federal government do not and how this creates confusion for those who want to transport it. That a SOCAL airport recently enacted and made public a marijuana policy.

The LAX airport marijuana policy was shown as an example.

Discussion ensued as to what occurs if someone possesses marijuana, how the TSA would notify the police and the substance would have to be disposed of because it is not allowed in federal air space. How the policy in LAX can be confusing because it seems to imply that the police will not do anything as long as one possesses the allowed quantity of marijuana.

Commissioner Freymuth read the last paragraph of a report drafted by the American Bar Association which stated that passengers possessing marijuana while on board a airplane violate federal law and how airports can do passengers a favor by prohibiting the substance altogether on airport property. And how, at the very least, if PSP’s policy stated that we allow it, there should be a clear proviso that it is not allowable airside. How passengers could miss their flights if police is called, how they would have to return to the end of the line and they could blame the airport. How when the airport applies for grants we certify to the FAA that we are in full compliance with the law and passengers need to know where the line is.

Commissioner Schmitz commented that marijuana is legal in Colorado but Denver International has forbidden marijuana on airport premises.

Commissioner Freymuth commented that the Palm Springs City Council can ban it from the airport.

City Manager Ready stated that the airport could either do nothing, ban it altogether or allow it at the airport with a proviso or not. How it would be good at some point to have it in some sort of category as a policy, how City Council will deal with it but how he wanted to have a recommendation from this body first.

Mr. Ready recommended that staff provide more information to the Commission and research further what other airports are doing, what the law stipulates, what the TSA recommends, and have the Police Chief and City Attorney weigh in on it. He asked if there's an appropriate committee that could be tasked to do this or have it ready and available for the next Commission meeting.

Commissioner Schmitz commented that it would be interesting and helpful to see what legal opinions LAX has obtained and what their risk assessment might be.

Commissioner Breslin made the point that if police has to be called each time for passengers carrying marijuana, it would be a large burden to them.

Commissioner Berriman added – as a retired law enforcement officer - that the law is based on weight of substance which is difficult to ascertain for a responding officer when a variety of products can contain marijuana.

Commissioner Clarkson mentioned that several airports have boxes where passengers can dispose of the substance, with an outside vendor hired to come and empty them.

Executive Director Nolan explained how police had investigated this possibility months ago and there are many problems associated with these boxes.

Chairman Wachs agreed that there should be a policy and it would be reasonable to have it at the next Commission meeting.

12. EXECUTIVE AND STAFF REPORTS:

Executive Director Nolan welcomed back Ms. Jan Pye, representing Desert Hot Springs at the Airport Commission.

Commissioner Pye made a brief statement.

Executive Director Nolan then gave updates on the following projects:

The enabling project (building of offices under the Bono concourse) has been completed and is in its final phases of grant close out.

The airfield electrical project and Taxiway J projects are also closing out, and will be sent to City Council.

New seating for the terminal lobby and the fountain area of the Bono concourse is expected to be delivered on October 22, 2018.

The Noise Committee will be convening again soon, two new members are needed.

Commissioner Clarkson pointed out that the ordinance calls for a Commissioner from Cathedral City.

Mr. Nolan reported that American Cab is no longer in existence, which leaves the airport with two taxicab companies and how some American Cab drivers have shifted over to the remaining two companies. How we haven't noticed any major issues at this point in the season but whether or not this will fulfill the capacity demand in a timely manner in season remains to be seen as this has been an issue in the Valley.

Commissioner Schmitz was asked to comment on FAA AIP. He explained how FAA authorization over the years had only been extended from three months to six months, how finally a longer term of five years had been established. However, the downside is that some items which airport groups were looking for such as an increase of PFCs and privatization of air navigation, will not be touched for five years.

Mr. Nolan informed the Commission that the Signatory and Non-Signatory Airport Use and Lease Agreement is expiring in July 2019 and how Ricondo and Associates, a consulting firm, would be retained to consult on the agreements.

Regarding the concessions retail merchandising units RFP, Airport Administration Jucht explained that three firms were interested in the kiosks, how only one proposal was received and it was deemed not compliant. Therefore, at this point, that location will be included in the concession RFP.

Mr. Nolan announced that we will be using a consultant to evaluate the PSP concession program and offer guidance on the direction to take.

Chairman Wachs addressed PSP's air service and indicated that the month of September showed an increase of 9.1% passenger traffic over last year, and cumulatively, year to date, we stand at 9.6% over last year.

COMMISSIONERS REQUESTS AND REPORTS:

Commissioner Call asked where we stood on the addition of an extra lane at the TSA checkpoint.

Executive Director Nolan replied that staff is working closely with the TSA trying to determine when that piece of equipment is due to arrive. How the larger plan of the remodeling is still in the design phase and the specifications will not be completed until the end of October. How it is questionable whether the entire construction including the widening of the hallway and the police office relocation will be completed by season. How the airport may have to find an alternate and creative solution to position the extra piece of equipment.

Commissioner Freymuth asked for confirmation that the new airline incentive program will be seen at the next Commission meeting.

Mr. Nolan acquiesced.

Commissioner Freymuth said it would be helpful for the Commission to see some examples and compare benefits based on the old and new programs and how the program should cost the airport less than what was awarded in the past. How, on the other hand, some airlines in the past had not applied for incentive funds as it was an involved process and therefore money was not spent, whereas with this new program, everyone who is entitled will be using it.

Commissioner Freymuth asked to revisit the nomination and election of officers. While not changing the process and still maintaining the nomination and election, how the Airport Director could solicit from eligible Commissioners a one-page bio indicating their reason for wanting this position. How this could be communicated to all Commissioners by December 12 as the vote is expected on January 9, and this would enable everyone, including the new Commissioners, to know who they are voting for. How this offers transparency for the Commission.

Chairman Wachs added that it would formalize the process and proposed it be discussed at the November meeting.

The City Manager commented that it certainly wasn't a bad idea and that, how we get nearer the election date, Commissioners who are interested could state their reasons for everyone to see because at some point the nomination will have to be done. How this could be put on paper, given to the Chairman and included in the next meeting's staff report, and then nominations could be opened.

Commissioner Clarkson commented that there are 19 Commissioners, with a majority of 10 from Palm Springs, and that the airport is an enterprise of the City of Palm Springs. Commissioner Clarkson then inquired whether there was any precedent — by tradition, ordinance, or otherwise — for the Chairman to be from Palm Springs.

Mr. Ready said there is no reason why a Commissioner from another city couldn't serve as Chair of the Commission. How this could be a legitimate question for this group, how they could change it and that Council could be pre-disposed.

Commissioner Freymuth asked that it be brought up as a discussion at the next meeting.

13. REPORT OF CITY COUNCIL ACTIONS: Provided in the packet

15. CORRESPONDENCE: None.

16. RECEIVE AND FILE:

ACTION: Receive and file: 16.A August 2018 Activity Report, 16.B. November 2018 Airlines Schedules. Handout: September 2018 Activity Report.

Moved and seconded and unanimously carried noting the absence of Commissioners Altman, Dada, Jones, King.

ADJOURNMENT:

Motion to adjourn. **Moved and seconded and unanimously carried noting the absence of Commissioners Altman, Dada, Jones, King.**

The Airport Commission adjourned at 8:50 A.M. to Wednesday, November 14, 2018, at 8:00 A.M., in the airport conference room, 3400 E. Tahquitz Canyon Way, Palm Springs.

N.S.

Nadia P. Seery
Executive Administrative Assistant