

**Report to La Quinta City Council  
Palm Springs International Airport Commission Meeting  
July 15, 2015**

**Finance:** General Revenues were up 9% from last year, while Expenditures were up 1.86%. Unrestricted Cash at year-end was \$5.7 million vs. the goal of \$5-6 million. Once again, Passenger Facility Charges were up 9%, which we are using to retire bond debt ahead of schedule.

**Passenger Activity:** June's passenger activity was down 13.2% from last year, but year-to-date activity remains up 1.6% from 2014.

**General Observations:** Air traffic, nationwide, is down from last year. May was down 5%, while the YTD is down by 2%. There were several reasons for this. Among those cited were:

1. The direct relationship of passenger demand to economic conditions – at both the originating city and the destination city.
2. Currency exchange rates
3. Fuel costs and availability

Interesting facts:

Southern California averages 1200 flights a day, moving 170,000 passengers. Business travel is down, and leisure traffic generally follows business travel. Last year, 15.6 million people visited California; with half coming from Mexico.

**Parking Management Services:** Our ten-year agreement with Ace Parking of San Diego expires in January 2016. The Commission and Staff reviewed an RFP for the solicitation of a vendor for next 10 years. Parking revenue has accounted for \$2 to \$3 million per year.

Services required include:

1. Operate and manage the public parking lots.
2. Replace, update, and maintain the ticket and fee computer system as required
3. Collect all fees, provide bookkeeping and audit functions
4. Collect all baggage card machine fees
5. Provide Traffic Enforcement Officer for safe vehicular and passenger movement
6. Provide Taxi Control Officers and manage queuing.

After discussion, the Commission voted to forward the RFP to the City Council for approval.

Because the Palm Springs City Council is “dark” during August, the next meeting is scheduled for September 16, 2015. I will be out of the country at that time, so will miss the September meeting.

Submitted: \_\_\_\_\_

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