



Spokane Airports
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SPOKANE AIRPORT BOARD

Chair: Collins Sprague

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Secretary: Jennifer West

Board Members: Ezra Eckhardt Max Kuney
Shelly O'Quinn Ben Stuckart

Chief Executive Officer: Lawrence J. Krauter, A.A.E., AICP

NOTICE OF AIRPORT BOARD MEETING

Tentative Agenda for the May 25, 2017 Board Meeting

The Airport Board meeting will be held on Thursday, May 25, 2017 at 9:00 a.m. in the Boardroom located at Spokane International Airport, 9000 West Airport Drive, Suite 204, Spokane, Washington 99224.

A. Call to Order

B. Roll Call of the Airport Board

C. Public Comment/Courtesy of the Floor

D. State Legislative Session Summary provided by Cliff Webster (Carney Badley Spellman, P.S.)

E. Approval of Minutes (4/20/17 regular meeting)

F. Financial Report (Dave)

Consent Agenda (Items #1-5)

1. ***Approval of Payments/Warrants**

Construction Warrant Number	4277-4280	\$ 59,264.09
Operational Warrant Numbers	135750-136004	\$1,632,235.43

2. ***Approve Amendment No. 4 to Professional Services Agreement – South Pilot Ramp Rehabilitation Project** – *Parametrix* – Spokane International Airport. A Professional Services Agreement (July 2015) and Amendment No. 1 (February 2016) were executed with Taylor Engineering, Inc. (acquired by Parametrix) for design services to rehabilitate and reconfigure the South Pilot Ramp, relocate Gate R, and rehabilitate a portion of T/W C2. Amendment No. 2 (September 2016) was approved for construction management and administration services required for the duration of construction under the FAA Airport Improvement Program and Sponsors

Assurances. Amendment No. 3 (November 2016) was approved for rebidding efforts following rejection of all original bids received. Work identified in Amendment No. 4 was requested by FAA and provides civil and electrical engineering design services to relocate transformers, panel and meter boxes, and conduit for power to the Precision Approach Path Indicator (PAPI) and Runway End Identifier Light (REIL) navigational aids for Runway 25. The Engineering Committee and Staff recommend approval of Amendment No. 4 to the Professional Services Agreement for the South Pilot Ramp Rehabilitation Project with Parametrix in the amount of \$17,896.00 for a total revised contract amount of \$1,120,621.50.

3. * **Award Construction Contract – Parking Garage Two Lighting Retrofit Project – *Pick Electric, Inc.*** – Spokane International Airport. Parking Garage Two interior lighting is provided by 175W metal halide light fixtures that are original equipment from the original construction, which creates areas where light levels are inadequate. In December 2016, the Airport Board authorized the procurement of energy-efficient LED fixtures and lights in order to increase lighting levels and reduce electrical costs. The Scope of Work under this Contract includes installation of new LED lighting fixtures, demolition of the existing lighting fixtures and wiring, new wiring at the electrical panels, and modifications to the lighting controls. The project was bid through the Small Public Works Roster, with the lowest responsive bid from Pick Electric, Inc. in the amount of \$158,038.26 including Washington State Sales Tax. The Engineering Committee and Staff recommend award of a Construction Contract for the Parking Garage Two Lighting Retrofit to Pick Electric, Inc. in the amount of \$158,038.26 including Washington State Sales Tax. Staff further requests Board authorization of \$16,000.00 for construction contingencies, for a total authorization of \$174,038.26.
4. * **Award Construction Contract – Airfield Maintenance Building Paving Project – *Shamrock Paving, Inc.*** – Spokane International Airport. This project includes removing and replacing 52,470SF of failed asphalt at the Airfield Maintenance Building, originally constructed in 1985. The project also includes paving over 49,600SF of spalled concrete apron north of the FedEx trailer storage area, which was once part of the original North/South Runway. T-O Engineers prepared the bid documents and three bids received were received, which included the Base Bid and three Additive Alternate Schedules. The Airport elected to reject Additive Alternates 1 and 2 and award on the basis of the Base Bid plus Additive Alternate 3. The lowest responsive bid was received from Shamrock Paving, Inc. in the amount of \$338,558.40 including Washington State Sales Tax. The Engineering Committee and Staff recommend award of a Construction Contract for the Airfield Maintenance Building Paving Project to Shamrock Paving, Inc. for the Base Bid and Additive Alternate 3 in the amount of \$338,558.40 including Washington State Sales Tax. Staff further requests Board authorization of \$33,900.00 for construction contingencies, for a total authorization of \$372,458.40.
5. * **Selection of Employee Health and Welfare Benefits Broker and Broker Services Agreement – *Alliant Insurance Services, Inc.*** On March 12, 2017, the Airport published an advertisement for Request for Proposals for Employee Health and Welfare Benefits Broker Services with proposals due April 10, 2017. Out of the five proposals received and reviewed by staff, Alliant Insurance Services, Gallagher Benefit Services, and Mercer Health & Benefits were selected for interviews which were held on May 2nd. Based on the interviews, staff rated Alliant Insurance Services as the most preferred firm to serve as the Broker of Record and Advisor for employee health and welfare benefits. The selection is based on the services to be provided, staff qualifications, references, and overall value of the program. The term of the Agreement shall commence on June 1, 2017 and end on May 31, 2020. Alliant will review and make proposals regarding the employee's health and welfare benefits no later than August 16, 2017. Employee insurance placement will be approved at the September 28th Airport Board meeting. Alliant will provide broker and advisory services to the Airport for an annual cost of \$36,000. The Airport Board Finance Committee and Staff recommend Alliant Insurance Services as the Airport's broker for employee health and welfare benefits and approval of the Broker Services Agreement – Alliant Insurance Services, Inc. (Spokane Airport).

Regular Agenda

6. * **Approval of Resolution No. 04-17 - In the Matter of Amending the Ground Transportation Rules and Regulations Regarding Courtesy Vehicle Operators and For Hire Vehicle Operators.** (SIA) In accordance with RCW 14.08.120(6), the Airport Board has adopted Resolution 01-16 that established rules and regulations for ground transportation operators accessing the Airport. This Resolution was adopted on May 26, 2016, and it amended the trip fee to \$1.00 per trip (based on actual operating costs) and established the data collection procedures for the Transportation Network Companies (“TNCs”) to be provided by Transportation Security Clearinghouse Services (“TSC”), a third-party service provider. The Ground Transportation rules and regulations have been in place since October 1, 2015. Staff has reviewed the actual trips recorded for the one (1) year period ending December 31, 2016 and has determined the fees collected do not cover annual budgeted expenses at the current trip fee of \$1.00 per trip. Based on the average vehicle trips of 20,000 per month and a review of the Airport’s operating costs, the Airport is not fully recovering the costs associated with the Ground Transportation operations.

On March 1, 2017, staff held 2 separate Ground Transportation Informational meetings with the current ground transportation operators, providing the operators with an update on the Airport’s ground transportation program including a discussion on the trip fee. As a result of the feedback from the operators, staff is recommending the trip fee be adjusted over a four year period commencing January 1, 2018 as follows:

Effective January 1, 2018 - \$1.25 per trip
Effective January 1, 2020 - \$1.75 per trip

Effective January 1, 2019 - \$1.50 per trip
Effective January 1, 2021 - \$2.00 per trip

The trip fee shall be reviewed annually and based on the results of the review, it may be set in an amount lower than the trip fee outlined above.

Some sections of the Resolution have also been amended to better define the rules and regulations and to clearly outline the procedures to be followed when an Operator is in violation of the rules and regulations. This Resolution shall supersede and cancel Resolution No. 01-16 and all previous resolutions and/or policies pertaining to Courtesy Vehicle Operators and For Hire Vehicle Operators. The Finance Committee and staff recommend approval of Resolution No. 04-17 - In the Matter of Amending the Ground Transportation Rules and Regulations Regarding Courtesy Vehicle Operators and For Hire Vehicle Operators at Spokane International Airport.

7. * **Approval of Policy 03-17 - In the Matter of Approving and Adopting Rules and Regulations Governing First Amendment Activities and Commercial Advertising.** In January 1979, the City of Spokane and Spokane County adopted a Joint Resolution and Ordinance (County Resolution No. 79-0023 and City Ordinance No. 24689) that established rules and regulations governing activities protected by the First Amendment to the United States Constitution (and presumably Article I, Section 5 of the Washington Constitution), such as demonstration to express an opinion or message, distribution of literature or other materials, charitable solicitation, and charitable surveying (“First Amendment Activities”). The Airport has not adopted rules and regulations regarding the display of advertising content in facilities owned, leased or controlled by the Airport, which is also protected by the First Amendment to the United States Constitution and/or Article I, Section 5 of the Washington Constitution (“Commercial Advertising”).

Rules and regulations governing First Amendment Activities have changed a great deal since 1979, including the legal landscape, layout of Spokane International Airport and Fields Field Airport, the number of passengers at Spokane International Airport, the use of social media to quickly organize First Amendment Activities, and public safety and security concerns. The Airport’s rules and regulations regarding First Amendment Activities are outdated and largely obsolete. Appropriate and objective rules and regulations regarding First Amendment Activities are necessary to ensure

citizens may engage in activities protected by the First Amendment to the United States Constitution and/or Article I, Section 5 of the Washington Constitution, while balancing the governmental interests of the Airport based on current law and circumstances. The Airport has historically allowed Commercial Advertising at facilities owned, leased or controlled by the Airport, which generates revenue for the Airport. Because Commercial Advertising is also protected by the First Amendment to the United States Constitution and/or Article I, Section 5 of the Washington Constitution, appropriate and objective rules and regulations regarding Commercial Advertising are necessary to ensure such activity is applied uniformly. The Finance Committee and staff recommend approval of Policy 03-17 - In the Matter of Approving and Adopting Rules and Regulations Governing First Amendment Activities and Commercial Advertising.

8. **Staff Reports/Board Member Comments**

- Chief Executive Officer's Report
- Board Member Comments

The Airport Board may take action on other routine business issues as they may arise while the Board is in session.

9. **Executive session to follow for discussion of legal, personnel and real estate matters.**

10. **Adjourn**

11. **The next regularly scheduled Board meeting is Thursday, June 29, 2017 at the Spokane Airport.**

Note: The consent agenda (*) may be considered in a single action. Any Board member or any member of the public in attendance at the meeting may ask for the separation of any item from the consent agenda for individual consideration. Please notify the Board Clerk prior to the start of the meeting if you wish to make such a request.

The Spokane Airport Board is committed to providing reasonable accommodations to individuals with disabilities. Individuals requiring reasonable accommodations to attend this meeting should call the Board Clerk at (509) 455-6444 or email at thart@spokaneairports.net at least 48 hours in advance of the meeting to arrange for accommodation.