



<b>SPOKANE AIRPORT BOARD</b>		
<b>Chair:</b>	Nancy Vorhees	
<b>Vice Chair:</b>	Ezra Eckhardt	
<b>Secretary:</b>	Jennifer West	
<b>Board Members:</b>	Al French	Max Kuney
	Collins Sprague	Ben Stuckart
<b>Chief Executive Officer:</b>	Lawrence J. Krauter, A.A.E., AICP	

**NOTICE OF AIRPORT BOARD MEETING**

**Tentative Agenda for the October 18, 2018 Board Meeting**

The Airport Board meeting will be held on Thursday, October 18, 2018 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. Approval of Minutes (9/20/18 regular meeting)
- E. Financial Report (Dave)

**Consent Agenda**  
**Items # 1 - 8**

1. **\*Approval of Payments/Warrants**  
 Operational Warrant Numbers 141566 - 141865 \$7,435,880.00
  
2. **\* Award Construction Contract – Trunk Rail Extension Project – Wm. Winkler Company,** Spokane International Airport. This project will construct approximately 4,500 feet of railroad track, beginning at the Spokane County-owned Geiger Spur and proceeding east past Craig Road on undeveloped land owned by the Airport. It will include earthwork to prepare the track subgrade, track bed construction, track demolition and turnout installation at the Geiger Spur, and installation of a track crossing at Craig Road. Bid documents were prepared by KPFF Consulting Engineers. After public advertisement and a pre-bid meeting, four bids were received, with the lowest responsive and responsible bid submitted by Wm. Winkler Company. The Engineering Committee and Staff recommend award of a Construction Contract for the Trunk Rail Extension Project to Wm. Winkler Company in the amount of \$1,811,304.58 including Washington State Sales Tax. In addition, Board authorization of \$180,000.00 for construction contingencies is requested for a total authorization of \$1,991,304.58.

3. **\* Approval of Amendment No. 1 – Overhead Door Preventative Maintenance and Service Contract** – *Continental Door Company* – Spokane International Airport, Business Park and Felts Field. In 2017, the Board approved a contract with Continental Door Company for one year with two additional one year options. The contract includes a fixed monthly fee for preventative maintenance services, and an hourly rate for additional services as requested by the Airport. Terms and cost will remain the same for this Amendment. The Board-approved amount for the initial contract was \$100,000.00. Total cost to date is \$55,795.87, including Washington State Sales Tax and obligatory fees. Continental Door Company has agreed to maintain the monthly service fee rate of \$2,458.34, excluding Washington State Sales Tax, as well as their hourly rate for additional work, for this one-year option. The Amendment total is \$94,248.00 including Washington State Sales Tax. The Engineering Committee and Staff recommend approval of Amendment No. 1 to the Overhead Door Preventative Maintenance and Service Contract with Continental Door Company for one year in the not-to-exceed amount of \$94,248.00 including Washington State Sales Tax with a contract contingency of \$5,752.00 for a total authorization of \$100,000.00.
4. **\* Award Construction Contract – Building 1200 Sidewalk Repair/Replacement** – *NNAC Construction* – Airport Business Park. Sections of the sidewalks at Building 1200 have deteriorated due to deicing applications and general wear and tear. The Scope of Work includes repairs and reconstruction of sidewalks sections, sealing concrete surfaces, and replacing existing bollard light fixtures. Bid documents were prepared by T-O Engineers and after public advertisement, four bids were received, with the lowest responsive and responsible bid submitted by NNAC Construction in the amount of \$62,859.20 including Washington State Sales Tax. The Engineering Committee and Staff recommend award of a Construction Contract for Building 1200 Sidewalk Repair/Replacement to NNAC Construction in the amount of \$62,859.20 including Washington State Sales Tax. In addition, Board authorization of \$6,286.00 is requested for construction contingencies for a total authorization of \$69,145.20.
5. **\* Approval of the renewal of the Airport’s property and casualty insurance policies for the term commencing November 1, 2018; Purchase of Insurance Coverage** – *Alliant Insurance Services, Inc.* (SIA, ABP, Felts). The Airport’s insurance policies expire at midnight on October 31, 2018 and Alliant has received quotes for the Airport’s insurance program that includes Property, Terrorism, Equipment, Automobile, General Liability, Crime, Directors & Officers Liability, Excess Liability for Directors & Officers, Cyber and Pollution Liability. Alliant presented a summary of the policies with the renewal pricing at the Finance Committee meeting on October 10th, 2018 and has advised that the pricing is competitive for the market and in line with the pricing from last year. The total premium for the 2018/2019 policy year, commencing November 1, 2018, is \$443,412.50 which is a slight decrease from last year’s total premium. The Finance Committee and staff recommend approval of the renewal of the Airport’s insurance policies as presented by Alliant Insurance Services, Inc. in the amount of \$443,412.50.
6. **\* Approval of Update of Employee Recognition and Award Policy.** The Employee Recognition and Award Policy was adopted on August 17, 2005, providing for years of service and outstanding service recognition. The policy was updated in February 27, 2013, to expand the award to part-time employees and to make administrative and language changes. The current update acknowledges exceptional attendance as an area of outstanding service we recognize and clarifies the requirements to achieve it. The Airport Board Finance Committee and Staff recommend approval of the updated Employee Recognition and Award Policy.
7. **\* Approval of the Fifth Amendment to the Curbside Taxi Services Contract - Kodiak Security Services, Inc.** – Spokane International Airport. On September 30, 2015, the Airport Board awarded a Contract for Curbside Taxi Services to Kodiak Security Services, Inc. The scope of work is being amended to include four (4) Prescreening Queuing Line Assistants (QLAs) ten (10) hours per day, seven days a week at Terminals A/B and C and other designated locations to ensure passengers are at the correct terminal and have their boarding passes and identifications available to present to the TSA Ticket Document Checker (TDC). The annual cost for the additional work is

\$266,514.40, and the total annual cost shall not exceed \$639,634.56. The Finance Committee and Staff recommend approval of the Fifth Amendment to the Curbside Taxi Service Contract with Kodiak Security Services, Inc. for an annual not-to-exceed amount of \$639,634.56.

8. \* **Revoke and Repeal Resolution No. 03-99 and Resolution No. 01-08, and the policies set forth therein regarding the setting of Airport parking fees, rates and charges.** The policies set forth in Resolution No. 03-99(attached) and Resolution No. 01-08 (attached) are no longer relevant or necessary due to payment in full of the 2008 bond debt. The Finance Committee and staff recommend revocation and repeal of Resolution No. 03-99 and Resolution No. 01-08, and the policies set forth therein regarding the setting of Airport parking fees, rates and charges.

#### Regular Agenda

9. \* **Approval of Amendment No. 2 – Airport Security Upgrades Project – Garco Construction, Inc.** - Spokane International Airport. In May 2018, the Airport awarded Amendment No. 1 in the amount of \$1,362,215.33 to Garco, which included all costs for Bid Package No. 1. Amendment No. 2 provides a Guaranteed Maximum Price (GMP) for the remainder of the project scope which includes: Electronic Video Information Displays (EVIDS) for directional way finding, visual paging, Flight Information Displays (FIDS), Gate Information Displays (GIDS), Baggage Information Displays (BIDS), ticketing back counter video walls, and video display walls in the Rotunda including all video communication cabling, power feeds, software, installation, programming, and training; Local Area Network (LAN) with new fiber backbone and redundant virtual servers and media players to drive the video displays; new Public Address (PA) System which utilizes existing speakers; airfield perimeter security enhancements including precast concrete security screen wall from the northwest end of the Terminal and along the northeast side of the rental car parking area; perimeter airfield fence security gate access control improvements to include card readers, video surveillance, security, and new fiber cabling; terminal access control enhancements to include card readers and video surveillance for all passenger boarding bridge doors; associated Specified General Conditions, Negotiated Support Services, GC/CM Fee; and Washington State Sales Tax. Per RCW 39.10, the Contractor provides a Guaranteed Maximum Price (GMP) estimate which is then evaluated and agreed to by the designer, the owner’s consultant, and the owner. Garco has prepared the GMP Amendment No. 2 estimate which includes the remaining scope of the project. Their cost estimate totals \$10,981,674.69, approximately \$211,994.82 higher than Faith Group’s independent cost estimate of \$10,769,679.87. The two cost estimates are within 1.9% of each other. GMP Amendment No. 2 establishes the final price and a contract completion date of June 30, 2019 for the project scope as provided in Board memo. The Engineering Committee and Staff recommend approval of Amendment No. 2, Guaranteed Maximum Price for the Airport Security Upgrades Project to Garco Construction, Inc. in the amount of \$10,981,674.69.
10. \* **Approval of the 2019 Spokane Airport Board Budget.** In preparation for developing the preliminary 2019 Airport Budget, the signatory air carriers serving Spokane International Airport have review privileges. Consultation meetings were held with the Airport Airline Affairs Committee on June 15, July 25, August 21 and September 20, 2018. No substantive changes resulted from these consultation meetings. The proposed 2019 budget for Spokane International Airport, Airport Business Park and Felts Field was reviewed with the Board Finance Committee on October 10, 2018 and is divided into three primary areas: Spokane International Airport comprising 89%, the Business Park 2%, and Felts Field 9% of the total budget. A breakdown of the amounts attributed to operations and capital expenses for each area can be found on the Board memo. The total budget represents a 7.3% increase from the 2018 budget attributable to a 12.3% increase in the Operations budget and a 3.5% increase in the Capital budget. The 2018 landing fee rate will be \$2.36 per 1,000 pounds of landed weight, an increase of 12.4% from 2018. The terminal lease rate will be \$61.44 per square foot

per annum, an increase of 14.4%. The Finance Committee and staff recommend approval of the Spokane Airport Board's 2019 Budget in the amount of \$93,453,165, along with the rates shown in the budget package, and subsequent submission to the City and County of Spokane.

11. \* **Approval of the 2019 Washington Legislative and Executive Branch Goals.** The draft 2019 goals, which are attached, cover a variety of current priorities including Capital budget requests for Felts Field and Spokane International Airport, regulatory control of Transportation Network Companies (i.e., Uber, Lyft), the implementation of Real ID, funding for tourism marketing, the retention of tax incentives for the aerospace industry, potential changes to the Public Development Authority statute, oversight of drone technology, implementation of the Air Cargo Study, potential transfer of the Geiger National Guard Facility for the expansion of the airfield's aerospace cluster, the elimination of State Leasehold taxes and a focus on the standardization of sales and use taxes applied to the State's airports, a better working relationship with the Department of Commerce, and support of the legislative priorities our Spokane area partners including the City of Spokane, Spokane County, and the business organizations.

12. **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.**

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

14. **Adjourn**

**The next regularly scheduled Board meeting is Thursday, November 15, 2018 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.*