



<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 June 14, 2018 Board Meeting**

The Airport Board meeting will be held on Thursday, June 14, 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. Employee Recognition**

- **Demian Jackson – Graduate of Leadership Spokane Class of 2018**
- **Adam Phelps on Completion of Gonzaga University Emerging Leaders Program**

**D. Public Comment/Courtesy of the Floor**

**E. Approval of Minutes (5/17/18 regular meeting)**

**F. Financial Report (Dave)**

**Consent Agenda**  
**(Items #1-10)**

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

Construction Warrant Numbers	4384 - 4390	\$ 395,918.41
Operational Warrant Numbers	140210 - 140611	\$2,895,714.67
  
2. **\*Award Construction Contract – Surface Parking Lot Expansion Project – N.A. Degerstrom, Inc.** – Spokane International Airport. Record-breaking passenger traffic has resulted in parking demand exceeding capacity. This project will construct additional parking capacity by adding approximately 1,300 additional stalls over a 12 acre area generally located inside of in-bound road and McFarlane road. Bid documents were prepared by T-O Engineers. From the three bids received, the lowest responsive and responsible Base Bid was submitted by N.A. Degerstrom, Inc. in the amount of \$4,851,095.52, including Washington State Sales Tax. Bids were also received for Alternate No. 1. The combined Total Bid submitted by N.A. Degerstrom was \$6,444,012.38.

The Engineering Committee and Staff recommend award of a Construction Contract including Base Bid and Bid Alternate No. 1 for the Surface Parking Lot Expansion Project to N.A. Degerstrom, Inc. in the amount of \$6,444,012.38 including Washington State Sales Tax. Board authorization is also requested for \$644,000.00 for construction contingencies, \$81,000.00 for Avista Overhead Electric Transmission Line relocation, and \$30,000.00 for City of Spokane Water Line relocation for a total authorization of \$7,199,012.38.

3. **\*Award Construction Contract – Building 43 Pavement Improvements and Parking Lot Project – Red Diamond Construction, Inc.** – Spokane International Airport. The Project scope consists of 1) Pavement rehabilitation at Building 43 including removal and replacement of asphalt pavement, crack sealing, fog sealing, and bituminous surface treatment; and 2) Construction of a new parking area and associated improvements adjacent to IAC’s paint hangar off of Electric Avenue. The current tenant is Enterprise Rent A Car who have leased Building 43 and parking areas since May 1, 2011. The airport is responsible for the maintenance of the vehicle parking area. Bid Documents were prepared by David Evans and Associates, Inc. From the three bids received, the lowest responsive and responsible bid was submitted by Red Diamond Construction, Inc. in the amount of \$508,469.18 including Washington State Sales Tax. The Engineering Committee and Staff recommend award of a Construction Contract for the Building 43 Pavement Improvements and Parking Lot Project to Red Diamond Construction, Inc. in the amount of \$508,469.18 including Washington State Sales Tax. Additional Board authorization is requested in the amount of \$51,000.00 for construction contingencies for a total authorization of \$559,469.18.
4. **\*Approve Amendment No. 1 to Professional Services Agreement – Runway 7-25 Magnetic Variation Change and Taxiway C Shoulder Improvements Project – RS&H, Inc.** – Spokane International Airport. In September 2017, the Board approved a Professional Services Agreement with RS&H, Inc. (RS&H) for design of the Project. Amendment No. 1 provides full-time construction management and administration services for the duration of the Project, including materials testing on a time and materials basis in the not-to-exceed amount of \$1,149,118.00. Airport Staff began scope and fee negotiations with RS&H, including an independent fee estimate performed by Myaak Engineering. The Engineering Committee and Staff recommend approval of Amendment No. 1 to the Professional Services Agreement with RS&H, Inc. in the amount of \$1,149,118.00 for services associated with the Runway 7-25 Magnetic Variation Change and Taxiway C Shoulder Improvements Project, contingent upon receipt of the FAA AIP Grant.
5. **\*Award Construction Contract – Designated Smoking Area Relocation – Engineering/Remediation Resources Group, Inc.** – Spokane International Airport. To relieve congestion in the current designated smoking area, it will be relocated to an unused area between the Hourly Parking Lot and Main Terminal Sky Bridge. The newly designed smoking area will include a new shelter, concrete pad, sidewalk and landscaping. From the two bids received, the lowest responsive and responsible bid was received from Engineering/Remediation Resources Group, Inc. in the amount of \$108,027.52 including Washington State Sales Tax. The Engineering Committee and Staff recommend award of a Construction Contract for the Designated Smoking Area Relocation to Engineering/Remediation Resources Group, Inc. in the amount of \$108,027.52 including Washington State Sales Tax. In addition, Board authorization is requested for \$10,800.00 for construction contingencies for a total authorization of \$118,827.52.
6. **\*Award Vendor Contract – Janitorial Supply Services – Walter E Nelson Co.** – Spokane International Airport, Airport Business Park, and Felts Field. The Airport uses a variety of janitorial supplies and restroom paper products in its facilities. Airport Staff prepared the documents, the project was publicly advertised and one bid was received from Walter E Nelson Co., in the amount of \$235,618.08 including Washington State Sales Tax. The bid was based on an estimate of historical annual quantities used for each product. The previous contract was \$240,000.00, representing a 1.8% decrease in annual cost. Actual expenditures will vary based on quantities ordered. The total contract cost including contingencies for increased passenger traffic

will not exceed \$780,000.00 over a three-year period including all delivery charges and Washington State Sales Tax. The three-year contract will have the option of two additional one-year terms. The Engineering Committee and Staff recommend award of a three-year Vendor Contract for Janitorial Supply Services to Walter E Nelson Co., for the procurement of janitorial supplies on an as-needed basis, for an amount not to exceed \$780,000.00.

7. **\*Adopting the Affirmative Action Plans for 2018.** The United States Government requires employers with whom it works or has contracts to support and follow an affirmative action plan for minorities and women, people with disabilities, and veterans. The Airport completed a comprehensive work force analysis as well as generating reports on applicants, hires, promotions, and terminations. The data was then compiled into three plan documents: (1) Affirmative Action Plan for minorities and women; (2) Affirmative Action Plan for persons with disabilities; (3) Affirmative Action Plan for Veterans. The Finance Committee and staff recommends adoption of the 2018 Affirmative Action Plans.
8. **\*Approval of the Lease Agreement - Uniserve Facilities Services Corporation (SIA).** Uniserve has had a month to month Lease Agreement for office space to provide administrative support for the Janitorial Contract. Uniserve was recently awarded a Janitorial Contract for a three year term effective July 1, 2018 and the Airport has the option to extend the term for two (2) one (1) year options. The term of the Lease Agreement for office space coincides with the term for the Janitorial Contract. Commencing July 1, 2018, Uniserve will pay \$32.99 per square foot per annum and the rent shall be adjusted annually on January 1 by the averaged percentage increase for terminal rents. The Finance Committee and staff recommend approval of the Lease Agreement with Uniserve Facilities Services Corporation.
9. **\*Approval of the Lease Agreement for Building 1100, Suite 103A with the West Plains Airport Area Public Development Authority (ABP).** The West Plains Airport Area Public Development Authority (“PDA”) has requested a lease for approximately 1,562 square feet of office space located within the Airport Business Park, Building 1100, Suite 103A. This office space will be used for its administrative headquarters and requires some interior improvements consisting of new carpet, lighting, painting and reconfiguration of the space. The term of the Agreement shall be three (3) years commencing the day that a Certificate of Occupancy is issued to the Airport. The PDA shall pay Six Dollars and Fifty Cents (\$6.50) per square foot per annum or annual rent of \$10,153.00 for Building 1100, Suite 103A. The PDA shall be responsible for all interior maintenance, janitorial and interior window cleaning within the Premises. The Airport shall be responsible for the structure, roof, HVAC units, landscaping and snow removal around the Premises. The Finance Committee and staff recommend Board approval of the Lease Agreement for Building 1100 with the West Plains Airport Area Public Development Authority.
10. **\*Approval of the Consent to Assignment – Land Lease Agreement – Christian Sturm to Mark Fiedler (Felts Field).** In 2007, Mr. Christian Sturm entered into a Lease Agreement for approximately 6,650 square feet of land at Felts Field and constructed Building 71, a 2,500 square foot hangar on the parcel. This Agreement has a twenty five (25) year term which expires July 31, 2032 and there is one (1) twenty five (25) year option. The current rental rate for 6,650 square feet is Twenty Three Cents (\$0.23) per square foot per annum or One Thousand Five Hundred Twenty Nine Dollars and Fifty Cents (\$1,529.50) per year. Mr. Sturm has entered into an agreement to sell his hangar to Mark Fiedler and he has requested that the Land Lease Agreement be assigned to Mr. Fiedler. The effective date of this Consent to Assignment was June 1, 2018. All other terms and conditions remain the same. The Finance Committee and staff recommend approval of the Consent to Assignment – Land Lease Agreement – Christian Sturm to Mark Fiedler.

### **Regular Agenda**

11. **\*Award Construction Contract – Bulk Storage Hangar Project – Graham Construction & Management, Inc. – Felts Field.** This Project includes construction of a 21,000 square foot aircraft storage hangar with support/office space and associated utility and site work. The Hangar will be a Pre-Engineered Metal Building with exterior metal wall panels, pre-cast concrete panels, and glazing. The Project includes reconstruction of parking facilities adjacent to the Hangar site. Bid Documents were prepared by J.R. Miller & Associates, Inc. (JRMA). From the five bids received, the lowest responsive and responsible bid was submitted by Graham Construction & Management, Inc. in the amount of \$5,108,160.00 including Washington State Sales Tax. The Engineering Committee and Staff recommend award of a Construction Contract for the Bulk Storage Hangar Project to Graham Construction & Management, Inc. in the amount of \$5,108,160.00 including Washington State Sales Tax, contingent upon receipt of funds from the City of Spokane Investment Pool. Further Board authorization is requested in the amount of \$510,000.00 for construction contingencies for a total authorization of \$5,618,160.00.
  
12. **\*Approval of Resolution 01-18 - In the Matter of Amending Rules and Regulations Governing First Amendment Activities and Commercial Advertising.** When Resolution 03-17 was approved on May 25, 2017, case law at the time suggested the Airport had to process a First Amendment permit within 24 hours when “exigent circumstances” existed. The 10<sup>th</sup> Circuit Court of Appeals recently determined there is no need for an Airport to address permit applications based on an “exigent circumstance”. Resolution 01-18 deletes the provision for exigent circumstances and makes some minor clarifications regarding possession of permit by Permittee and availability of designated locations. Resolution 01-18 also amends the Regulations governing Commercial Advertising that reference or depict the use of alcohol by legally approved companies or venues. This restriction has been in the Airport’s regulations for many years based on the interest of protecting minors. However, this regulation also precluded a number of otherwise appropriate advertisements at the Airport, which reduces Airport Revenue. The regulation is being updated to allow such advertisements that promotes or furthers destination marketing and tourism. The Finance Committee and staff recommend approval of Resolution 01-18 - In the Matter of Amending Rules and Regulations Governing First Amendment Activities and Commercial Advertising.
  
13. **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.**

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

**The next regularly scheduled Board meeting is Thursday, July 19, 2018.**

***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.*