



Spokane Airports
 9000 W. Airport Dr. #204 • Spokane, WA 99224 • (509) 455-6455



| SPOKANE AIRPORT BOARD | |
|------------------------------|---|
| Chair: | Ezra Eckhardt |
| Vice Chair: | Collins Sprague |
| Secretary: | Al French |
| Board Members: | Breean Beggs Max Kuney Nancy Vorhees Jennifer West |
| Airport Director: | Lawrence J. Krauter, A.A.E., AICP |

NOTICE OF AIRPORT BOARD MEETING

Tentative Agenda for the September 17, 2020 Board Meeting - AMENDED

In accordance with Ch. 42.30 RCW, the Spokane Airport Board announces its intent to hold a Board meeting on **Thursday, September 17, 2020 at 9:00 a.m.**

Pursuant to the Executive Order 20-28 issued by Governor Inslee, public attendance at this meeting shall be limited to telephonic attendance. In-person attendance is prohibited pursuant to Executive Order 2028. Attendance at this meeting is available using the following conference call information: 1-408-418-9388 Meeting number/Access code: 146 384 8391## or by video as identified on Page 5 of the Agenda.

In accordance with the Open Public Meetings Act and guidance issued by the Washington Attorney General, no public comment will be permitted at this meeting. If you have public comment that you would like to present to the Airport Board, please submit that public comment in writing to lkrauter@spokaneairports.net

- A. Call to Order
- B. Roll Call of the Airport Board
- C. Approval of Minutes (8/20/20 regular meeting)
- D. Employee Recognition-ARFF Unit Members Lt. Wetherell, Firefighter Coleman, Firefighter Ogle for their efforts to assist in the Christenson Road and Euclid fires
- E. Financial Report (Dave)

Consent Agenda
Items # (1 - 10)

- 1. ***Approval of Payments/Warrants**
 Operational Warrant Numbers 149499- 149721 \$3,493,682.10
- 2. ***Authorize Acceptance of Energy Services Proposal – East Air Cargo Ramp Lighting Upgrade Project – Ameresco, Inc.** – Spokane International Airport. The East Air Cargo Ramp is presently illuminated by two portable, diesel generator-powered light plants operating high-

intensity metal halide lamps. This project will install a permanent, utility grid-connected, high-mast lighting system along the south perimeter of the ramp. The system will include a new utility service and meter, three 80' poles with a total of 17 LED fixtures, and all necessary controls. The system will improve the area light quality and level while also significantly reducing energy consumption by eliminating use of diesel fuel. In 2018, the Airport signed an Interagency Agreement with the Washington State Department of Enterprise Services (DES) to investigate selected energy-related savings opportunities. The Airport then conducted a competitive proposal process and selected Ameresco from energy services companies pre-qualified by DES. In July 2020, the Airport authorized completion of an investment grade audit and development of an energy services proposal that defines a scope, a guaranteed maximum project cost, and guaranteed savings for the project. The project will start in late September 2020 and be completed by December 1, 2020. The guaranteed maximum project cost is \$329,994.00. This includes labor and material cost of \$230,531.00; fixed-cost fee for design, construction management, overhead, and profit of \$73,337.00; and a construction contingency of \$26,126.00. Washington State Sales Tax is \$29,369.00 and DES project management fee is \$25,800.00, with the total project cost of \$385,163.00. The Engineering Committee and Staff recommend acceptance of the Energy Services Proposal and authorizations for DES as described above in the amount of \$385,163.00.

3. ***Approve Rail, Freight and Ports Division State Funding Agreement – Rail-Truck Transload Facility Project** – *Washington State Department of Transportation* – Spokane International Airport. The Rail-Truck Transload Facility Project includes construction of a new railyard and arrival and departure track designed to serve a heavy-duty paved freight loading and circulation station. This phase of the Project also includes construction of a vehicle access driveway, utility infrastructure and drainage improvements, including site lighting and signalization for the single track at-grade crossing at Craig Road. The Airport is a recipient of a Washington State Department of Transportation (WSDOT) Rail, Freight and Ports Division Grant in the amount of \$500,000.00 and a U.S. DOT BUILD Grant in the amount of \$11,300,000.00, in addition to other funding sources for the Project. The WSDOT grant will fund a portion of the construction. The Engineering Committee and Staff recommend approval of the WSDOT Rail, Freight and Ports Division State Funding Agreement in the amount of \$500,000.00.

4. *** Approve Amendment No. 1 to Professional Services Agreement – Rail-Truck Transload Facility Project** – *KPFF Consulting Engineers* – Spokane International Airport. A Professional Services Agreement was executed with KPFF Consulting Engineers (KPFF) in April 2020 in the amount of \$236,835.00 for preliminary design and grant administration services necessary to obligate the Transload project funds under the U.S. DOT BUILD Grant program, administered by the Federal Rail Administration (FRA). A scoping meeting was held with KPFF, FRA and the Airport to identify the final design elements required for the project. The amended SOW includes development of a categorical exclusion document following National Environmental Policy Act (NEPA) policies and procedures, final construction documents (plans and specifications), bidding services and grant administration, including formalization of the Pre-Award Authorization Agreement and FRA Grant Agreement. Following the scoping meeting, the Airport and KPFF began fee negotiations and reached agreement in the total amount of \$756,317.00 for NEPA review, permitting, construction documents, bidding services and grant administration. Including the preliminary design efforts, the professional services fees equate to approximately 7% of the construction budget. The Engineering Committee and Staff recommend approval of Amendment No. 1 to the Professional Services Agreement with KPFF Consulting Engineers in the amount of \$756,317.00 for a total project authorization of \$993,152.00.

5. * **Approve Amendment No. 4 to Service Contract – Elevator and Escalator Maintenance – KONE Corporation** – Spokane International Airport. In 2018, the Board awarded a one-year contract with four one-year extensions to KONE Corporation to provide elevator and escalator maintenance services at the Airport. Amendment No. 4 represents the second of four renewal options from October 1, 2020 through September 30, 2021. KONE Corporation has agreed to hold all labor and cost preventative maintenance at the current rates. The Engineering Committee and Staff recommend approval of Amendment No. 4 to the Service Contract for Elevator and Escalator Maintenance Services with KONE Corporation for a one-year term from October 1, 2020 through September 30, 2021 for the not-to-exceed amount of \$170,000.00 including Washington State Sales Tax.
6. * **Approve Amendment No. 1 to Service Contract – Airfield Liquid Deicing Product – Pelican Chemicals, Inc.** – Spokane International Airport and Felts Field. In September 2019, the Board approved a one-year contract, with two one-year renewals to Pelican Chemicals, Inc. to provide FAA-approved liquid deicing products. This is the first renewal year for this contract. A price increase proposal received from Pelican Chemicals for the 2020 – 2021 season is 0.8% higher than the previous season. During the 2019 – 2020 season, approximately 137,289 gallons were used at a cost of \$559,876.14, including Washington State Sales Tax. The Engineering Committee and Staff recommend approval of Amendment No. 1 to the Service Contract to procure airfield liquid deicing product from Pelican Chemicals, Inc. on an as-needed basis for the term of the contract in an amount not-to-exceed \$1,000,000.00.
7. * **Approve Amendment No. 1 to Service Contract – Airfield Solid Deicing Product – Pelican Chemicals, Inc.** – Spokane International Airport and Felts Field. In September 2019, the Board approved a one-year contract with two one-year renewals to Pelican Chemicals, Inc. This is the first renewal year for this contract. For the 2020 – 2021 season, Pelican Chemicals, Inc. has agreed to hold the rate in the amount of \$1,190.16 per metric-ton not including Washington State Sales Tax. During the 2019 – 2020 season, approximately 75 metric tons was used at a cost of \$97,213.28 including Washington State Sales Tax. The Engineering Committee and Staff recommend approval of Amendment No. 1 to the Service Contract for the above-referenced airfield solid deicing product with Pelican Chemicals, Inc. on an as-needed basis for the term of the contract in an amount not-to-exceed \$500,000.00.
8. * **Award Service Contract – Landside Snow Removal – Snow Systems Inc.** – Spokane International Airport. In July 2020, Staff issued a Request for Proposal (RFP) and received one proposal on August 7, 2020 from Snow Systems Inc. Snow Systems Inc. will provide snow removal services for the Airport’s parking lots, Rental Car Facility, and other common use roadways. The initial term of the Service Contract will be one year with the option to renew up to four additional one-year terms. The estimated cost for 2020-2021 landside snow removal services is \$205,750.00. The Engineering Committee and Staff recommend award of a Service Contract for Landside Snow Removal Services with Snow Systems Inc. for a total estimated amount of \$205,750.00 for the 2020 – 2021 winter season.
9. * **Renewal of Employee Benefits for Spokane Airport Employees.** The Airport offers a comprehensive benefit plan to attract and retain employees. The premium renewal rates with a term of November 1, 2020 through October 31, 2021 are contained in the Board memo. The total current cost of the plan from November 1, 2019 through October 31, 2020 and before employee share is \$2,005,026.32. The total cost of benefits for November 1, 2020 through October 31, 2021 and before employee share is estimated to be \$1,656,588.67, a decrease of \$348,437.65 or -

17.38%. Both the employee assistance program (EAP) and Life and Disability Insurance renew on January 1, 2021 and the premiums are still being negotiated for those benefits. The Finance Committee and Staff recommend approval of the Benefits Renewal with Kaiser Permanente, Washington Dental Service, and other listed providers in an estimated amount of \$1,656,588.67.

10. * **Approve Construction Change Order No. 3 – Airport Drive Inbound Realignment – Halme Construction, Inc.** – Spokane International Airport. On June 9, 2020, the Federal Aviation Administration (FAA) amended Airport Improvement Program (AIP) Grant No. 3-53-0072-059-2020 by \$500,000.00, increasing the total grant amount from \$4,630,173 to \$5,130,173 for the Airport Drive Inbound Realignment Project. The amendment approved and incorporated additional AIP-eligible work and costs associated to the Project at a 100% federal share. The new Change Order No. 3 work consists of connecting the northern segment of existing roadway to Airport Drive Inbound roadway and includes excavation and backfill, grading, storm drainage improvements, paving and other various site improvements. Plans for the northern connection of Airport Drive Inbound were prepared by T-O Engineers, Inc. A change order request to incorporate the northern connection of roadway was issued to Halme Construction, Inc. to obtain pricing. By implementing the General Conditions of the Construction Contract, unit bid prices were used for the additional quantity of materials, where applicable, and lump sum items were negotiated. Following receipt of the change order proposal in the amount of \$305,907.17 including Washington State Sales Tax, T-O Engineers, Inc., the Airport and FAA reviewed the total amount and found the work and cost to be reasonable. The Engineering Committee and Staff recommend approval of Construction Change Order No. 3 for the Airport Drive Inbound Realignment to Halme Construction, Inc. in the amount of \$305,907.17 including Washington State Sales Tax.

Regular Agenda

11. * **Approval of Parking Rate Modifications in conjunction with the Parking Consolidation Plan.** Based on anticipated passenger activity through the 6-month period beginning October 1, 2020 and ending on March 31, 2021 and the objectives to continue to reduce operating costs while maintaining safety and providing excellent service to parking customers, staff recommends modification to parking products by closing the Concourse C Parking Lot and implementing a revised rate structure from October 1, 2020 through March 31, 2021 (see Board memo for rates). Staff recommends approval of Parking Rate modifications in conjunction with the Parking Consolidation Plan from October 1, 2020 through March 31, 2021.
12. **Approval to Authorize the Chief Executive Officer to Negotiate and Execute Contract Amendments with Third Parties Contracted with Spokane Airports (excluding any airline), Which Have Previously Entered Into a Memorandum of Agreement (MOA) Providing Deferral of Payments, to Allow for the Deferral of Payments Otherwise Due to the Airport for an Additional Period Not to Exceed 60 days, and Any Other Contractual Modifications that are in the Best Interests of the Airport.** The Airport has entered into various MOAs to memorialize the deferral of payments by third parties contracted with the Airport. This authorization, which does not apply to the airlines, would provide the CEO authority to extend rent deferrals or financial relief for up to an additional 60 days to tenants and third parties who have previously entered into MOAs with the Airport. Staff recommends approval as stated above.
13. **The Airport Board may take action on other routine business issues as they may arise while the Board is in session.**

14. **Executive session.**
15. **Adjourn**

The next regularly scheduled Board meeting is Thursday, October 22, 2020.

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

Video Option:

<https://spokaneairports.webex.com/spokaneairports/j.php?MTID=mdd14d95e480518bfe4da781fa3bf68eb>

Meeting number (Access Code): 146 384 8391

Password: ZWn3MDemc24