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| SPOKANE AIRPORT BOARD | |
| Chair: | David Clack |
| Vice Chair: | John Wagner |
| Secretary: | Todd Mielke |
| Board Members: | David Brukardt David Holmes Irving Reed Joe Shogan |
| Airport Director: | Neal Sealock |
| Board Counsel: | Michael Ormsby |

Agenda for the December 16, 2009 Board Meeting

Board meeting held at Spokane International Airport Boardroom at 9:00 a.m.

1. **Roll call of the Airport Board**
2. **Financial Report**
3. **Human Resources Report**
4. **Approval of Minutes (11/18/09)**

***Consent Agenda**
(Items #5 - #24)

5. ***Approval of Vouchers**
 Construction Warrant Numbers 003274 – 003301 \$4,777,460.35
 Operational Warrant Numbers 101509 – 108718 \$1,880,269.17
6. ***Third Amendment to Lease Agreement for Land** – *Sysco Food Services of Seattle, Inc.* – This amendment extends the term of the lease for one year commencing September 1, 2009. The annual rent for approximately 4,050 square feet of improved ground is \$3,272.88, which excludes Washington state leasehold tax. Staff recommends approval. ABP
7. ***Tenth Amendment to Custodial Contract** – *American Building Maintenance Company* - American Building Maintenance provides general office cleaning at Buildings 700, 1200, 1378 and 1423 in the Airport Business Park. The current term of the contract expires on December 31, 2009. This amendment amends the term of the lease so that it continues on a month-to-month basis commencing January 1, 2010 under the same fee schedule. This will allow staff to develop a request for proposals in the spring of 2010. Staff recommends approval. ABP

8. ***First Amendments to Use Agreement (Spokane International Airport)** – *CityServiceValcon, Les Schwab Warehouse, Inc., Majestic Terminal Services and Pathology Associates (Third Amendment)* – These service providers have entered into use agreements which allow for annual rate adjustments on January 1. Effective January 1, 2010, the fee for operations under a use agreement at SIA will be increased from \$75 to \$90 per month. Staff recommends approval. SIA
9. ***First Amendment and Fifth Amendment to Landing Use Agreements** – *Shuttle America Corporation and TEM Enterprises d/b/a Casino Express* – Effective January 1, 2010, these amendments increase the required insurance to \$250,000,000. The applicable aircraft storage fee will be increased to \$112 per aircraft per day and the per gate use charge will be increased to \$180. Staff recommends approval. SIA
10. ***Right of Way Easement** – *City of Airway Heights* – The City of Airway Heights has requested the use of certain premises on Russell Road south of McFarlane Road on airport property to install, operate, maintain and protect a twenty-one inch gravity sewer transmission main. The right of way easement is for a strip of land 30 feet wide and comprised of approximately 22,950 square feet. Staff recommends approval. SIA
11. ***Air Cargo Building Lease Agreement** – *Southwest Airlines Co.* – The current air cargo building lease agreements expire on December 31, 2009. The new agreements have a four-year term and adjust the rental rates approximately 15 percent effective January 1, 2010. Southwest Airlines shall pay annual rent in the amount of \$30,604.80 for 3,840 square feet of cargo space. Staff recommends approval. SIA
12. ***Use Agreement** – *SkyWest Airlines, Inc.* – Effective January 1, 2010, SkyWest will be an operating affiliate for Delta Airlines and United Airlines. They will pay a fee of \$90 per month. Staff recommends approval. SIA
13. ***Signatory Airline Lease and Operating Agreement** – *Alaska Airlines, Inc. and United Airlines, Inc.* - The current agreement with signatory airlines expires on December 31, 2009. The term of the new agreement is four years commencing January 1, 2010. Staff recommends approval of the agreements with Alaska and United airlines. SIA
14. ***Second Amendment to Cargo Building Lease Agreement** – *The Paradies Shops, Inc.* – Effective January 1, 2010, The Paradies Shops shall pay \$5.18 per square foot per annum or \$18,596.20 annually for 3,590 square feet of storage within the cargo building. This rate does not include Washington state leasehold tax. Staff recommends approval. SIA
15. ***Award On-Call Professional Services Agreement**– *TO Engineers (formerly Toothman-Orton)* – TO Engineers was selected from the airport’s small project roster to provide architectural, civil and survey services on an on-call basis for various airport departments through December 31, 2010. Staff recommends award of a professional services agreement with TO Engineers in the not-to-exceed amount of \$50,000. SIA

16. ***Use and Concession Agreement – Air Petro Corp.** (Felts Field Airport) – Air Petro Corp. is a fuel distributor and began their operations at Felts Field in October 2001 under the name Texaco Air Petro Services. The company has reorganized and changed their name to Air Petro Corp. Effective January 1, 2010 a new month-to-month agreement reflects this name change as well as a fee adjustment of \$35 per month. They also pay a fuel flowage fee in the amount of \$.065 per gallon. Staff recommends approval. FF
17. ***First Amendment to Landing Use Agreement – Ameriflight, LLC** (Felts Field Airport) – This amendment increases the required insurance to \$5,000,000 effective January 1, 2010. In addition, the landing fee will be increased to \$1.65 per 1,000 pounds of certificated maximum gross landing weight. Applicable aircraft storage fee will be increased to \$25 per aircraft per day. Staff recommends approval. FF
18. ***Use and Concession Agreement – CityServiceValcon, LLC** (Felts Field Airport) - CityServiceValcon is a fuel distributor and began their operations at Felts Field in October 2001 under the name City Service, Inc. The company has reorganized and changed their name to CityServiceValcon, LLC. Effective January 1, 2010 a new month-to-month agreement reflects this name change as well as a fee adjustment of \$35 per month. They also pay a fuel flowage fee in the amount of \$.065 per gallon. Staff recommends approval. FF
19. ***Use Agreement – Dustin Gillum** – Mr. Gillum is a Snap-On Tool franchisee and has requested access to Felts Field Airport. This month-to-month use agreement is effective December 1, 2009 and provides for the rules and regulations for accessing and driving on Felts Field. He shall pay a fee of \$25 per month. Staff recommends approval. FF
20. ***First Amendment to Use Agreements (Felts Field Airport) – Dustin Gillum, Pathology Associates and Western Avionics** – These service providers have entered into use agreements which allow for annual rate adjustments on January 1. Effective January 1, 2010, the fee for operations under a use agreement at Felts Field Airport shall be increased to \$35 per month. Staff recommends approval. FF
21. ***Lease Agreement – Hangar 15, LLC** – Air Services, LLC became the new lessee of Building 15 at Felts Field in July 2009. Air Services has reorganized and established a new LLC that will become the responsible lessee effective January 1, 2010. The term of the new agreement is five years with three five-year options. Rental rate for the building shall be \$1.38 per square foot per annum for 15,025 square feet and \$0.21 per square foot per annum for 56,840 square feet of adjacent ramp, excluding Washington state leasehold tax. Staff recommends approval. FF
22. ***Change Order No. 1, Reimbursement from FAA, Terminal Ramp Construction Project – Wm. Winkler** - This change order for the terminal ramp construction project involves an aggregate of multiple construction change authorizations resulting in a reimbursement from the Federal Aviation Administration in the amount of \$333,176.57. Staff recommends approval. SIA
23. ***Change Order No. 1 and No. 2 Credit, Runway Extension Project – Acme** – Change Order No. 1 involves a credit from the contractor for changing Asphalt Concrete Pavement to Portland Cement Concrete Pavement resulting in substantial savings to the airport. Change Order No. 2 is an aggregate of multiple construction change authorizations. Both change orders result in a credit to Acme’s contract in the amount of \$397,159.69. Staff recommends approval. SIA

24. ***Third Amendment to Agreement for Building 7, Second Amendment to Land Lease Agreement for Building 8 and Fifth Amendment to Agreement for Building 10 – Felts Field Aviation, Inc.** – Felts Field Aviation’s building and land lease agreements expired on September 30, 2009. In anticipation of a business plan the airport expected to receive from Felts Field Aviation regarding their fixed base operations, it was agreed that Felts Field Aviation would continue to lease Buildings 7 and 10 as well as continue the land lease for Building 8 on a month-to-month basis. Staff recommends approval. FF

Regular Agenda

25. **Board Resolution No. 12-09, In the Matter of Amending the Capitalization and Depreciation Policy** – The current resolution regarding capitalization and depreciation is in need of updating. Language in the proposed resolution will allow staff to keep up with evolving accounting standards without frequently amending the policy. The Board Finance Committee Chair and staff recommend adoption of Resolution No. 12-09. SIA
26. **Purchase Agreement to Acquire 10.2 Acres of Land from the Washington State Military Department (WMD)** – Last month the Airport Board approved a resolution formalizing the board’s commitment to lease 10.2 acres of real estate from the WMD. This property was declared surplus on September 24 and the open period to submit proposals expired on November 30. On December 7, 2009, the airport was notified that it was the successful proposer. Staff recommends approval of the purchase agreement with the Washington State Department of General Administration to acquire 10.2 acres of land in the amount of \$444,627 or \$0.9968 per square foot from the WMD. SIA

Staff Reports

- **Airport Director’s Report**

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

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

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.*

The next scheduled Board meeting will be January 20, 2010 in the Airport Boardroom.