



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:	Jerry Neal

Agenda for the June 18, 2008 Board Meeting

Board meeting held at the 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 (05/21/08)**

***Consent Agenda**
(Items #5 - #16)

5. ***Approval of Vouchers**
 Construction Warrant Numbers 002843 – 002864 \$ 485,117.94
 Operational Warrant Numbers 103569 – 103865 \$1,634,765.29

6. ***Sixth Amendment to Lease Agreement – Aries Northwest, LLC** – Aries Northwest dba Westside Motorsports has leased approximately 37,100 square feet of improved land since July 1, 2001 for a motorcycle safety training course. The term of this agreement shall be extended one year commencing July 1, 2008. The rent shall be \$0.135 per square foot per annum or \$5,008.50 annually, which does not include Washington state leasehold tax. Staff recommends approval. ABP

7. ***Third Amendment to Lease Agreement for Building 1200, Suite 100 – Banner Bank** ABP
 Banner Bank has requested an amendment to their current lease agreement in order to incorporate Suite 103 which is adjacent to their current operations and is comprised of 2,987 square feet. They shall pay the same rate of \$10.50 per square foot per annum. Staff recommends approval.

8. ***Twelfth Amendment to Lease Agreement for Building 1378, Suites 119 and 120 – E & H Engineering, Inc.** – This month-to-month agreement allows for an annual rental adjustment effective June 1. The rent for approximately 1,015 square feet shall be ABP

\$12.04 per square foot per annum or approximately \$12,220.60 annually, which excludes Washington state leasehold tax. Staff recommends approval.

9. ***Fourth Amendment to Lease Agreement for Building 1424 – Spokane County Sheriff** – The Spokane County Sheriff wishes to continue leasing 9,135 square feet of warehouse space in Building 1424 with an adjacent storage area of 4,681 square feet. The term of this amendment shall be one year commencing July 1, 2008 and the rent shall be \$0.69 per square foot per annum or \$9,533.04 annually, which does not include Washington state leasehold tax. They also lease an outside storage area adjacent to the Geiger Correctional Facility and shall pay \$155 per month or \$1,860 annually. Staff recommends approval. ABP
10. ***First Amendment to Lease Agreement for Land – Wheelabrator Spokane, Inc.** – For the past 14 years, Wheelabrator has leased one acre of land for use as a satellite parking area. This month-to-month agreement allows for an annual rental adjustment. Effective April 1, 2008, the rental rate shall be \$0.08 per square foot per annum, which does not include Washington state leasehold tax. Staff recommends approval. ABP
11. ***Second Amendment to Lease Agreement for Building 1423, Bay D – Willow Bay, LLC d/b/a Willow Bay Cabinets** – Since July 2006, Willow Bay has leased approximately 1,590 square feet of space on a month-to-month basis for use as administrative and warehouse space. Lessee has requested to continue leasing the premises under the same term. The adjusted rental rate shall be \$3.82 per square foot per annum or \$506.15 monthly, which does not include Washington state leasehold tax. Staff recommends approval. ABP
12. ***First Amendment to Signatory Airline Lease and Operating Agreement – Northwest Airlines, Inc.** - Agreements with signatory airlines allow for the adjustment of rents, fees and charges annually on January 1. Effective January 1, 2008, the amendments reflect an average four percent increase in all terminal rents, and landing fees are increased four cents to \$1.32 per 1,000 pounds. Staff recommends approval. SIA
13. ***Ground Transportation Center Operating Agreements – Best Western Peppertree Airport Inn, Doubletree Hotel City Center, Dave Smith Motors, Holiday Inn Express Cheney, Ramada Limited City Center, Holiday Inn Spokane-Airport, Stars & Stripes Shuttle and Super 8 Motel West** - At the April 16, 2008 board meeting, the Airport Board adopted Resolution No. 05-08 defining a fee structure for ground transportation providers. All existing operating agreements were cancelled effective May 31, 2008 and approximately 20 operators have entered into new agreements. Staff recommends approval. SIA
14. ***Sixth Amendment to Lease Agreement – Acme Hangar Company** – The term of this agreement with Acme Hangar expires on August 31, 2008 and there are no further renewal options. The term for Buildings 34 and 35 shall be extended for a one-year period commencing September 1, 2008. The rent for 9,000 square feet of hangar space and 24,350 square feet of adjacent land shall be \$11,503 annually. Staff recommends approval. FF
15. ***Landlord Estoppel Certificate and Landlord’s Consent – Eagle West Hangar One Condominium Owners Association and Washington Trust Bank** – Lessee is requesting approval of a landlord estoppel certificate and landlord’s consent as required by lessee’s

lender, Washington Trust Bank, in order to obtain financing. Staff recommends approval.

16. ***License to Use Airport Facilities – *Angel Flight*** – Angel Flight is a non-profit corporation and has requested the use of the facilities at Felts Field to conduct an Aviation Awareness Event on July 19, 2008. The event is intended to provide information to terminally ill children and their families. Angel Flight will provide the required insurance coverage and will be responsible for all setup and cleanup activities. Staff recommends approval. FF

Regular Agenda

17. **General Counsel Legal Services Selection – *K&L Gates*** – On May 9, 2008, the Board Selection Committee interviewed the five firms who had submitted proposals for general counsel legal services. A recommendation was made at last month's board meeting to select K&L Gates to service the Airport Board pending a mutual agreement. Board Selection Committee Chair Brukardt and staff recommend approval of the agreement with K&L Gates. SIA
18. **Resolution No. 06-08, In the Matter of Authorizing the Submittal of an Application to the Washington State Community Economic Revitalization Board (CERB)** – Resolution No. 06-08 authorizes the submittal of an application to the State's CERB for a loan/grant of \$2,000,000 to partially cover the cost of the MRO hangar infrastructure expansion and utility systems upgrade project that will allow for the commercial occupation by Cascade Aerospace. Staff recommends approval SIA
19. **Memorandum of Agreement with Washington State Military Department (WMD)** – This Memorandum of Agreement will allow for the right of access to the MRO hangar complex from Electric Avenue and outlines steps for a future land exchange of the State's parcel for the airport's parcel which is contiguous with the WMD's remaining acreage. Staff recommends approval SIA
20. **Lease and Operating Agreement – *Cascade Aerospace (USA) Inc.*** – Cascade Aerospace has requested a lease for the maintenance, repair and operations (MRO) facility which will commence at the expiration of Horizon's current lease term on January 31, 2009. Cascade's agreement is contingent upon the airport securing a CERB loan for necessary improvements to the structure. Staff recommends approval. SIA
21. **Building Lease Agreement – *Cascade Aerospace (USA) Inc.*** – Cascade Aerospace has requested a month-to-month lease for the building formerly known as the Remtech Building to provide adequate administrative support for the MRO facility. Effective August 1, 2008, the rental rate for 2,308 square feet of office space shall be \$10.92 per square foot per annum or \$2,100.28 monthly, which does not include Washington state leasehold tax. Staff recommends approval. SIA
22. **Award Construction Contract for 2008 Miscellaneous Pavement Projects – *Shamrock Paving Company*** – This project involves paving, patching, fog and crack sealing various areas within Spokane International and Business Park grounds. Three bids were received on June 10, 2008. Staff recommends acceptance of the low bid and award of a contract to Shamrock Paving Company in the amount of \$600,372.74, which includes Washington state sales tax. Staff further recommends authorization of SIA

contingency funds in the amount of \$60,000 for construction contingency and miscellaneous expenses incurred for this project.

23. **Award Construction Contract for Concourse C Parking Lot Expansion Project –** SIA
Inland Asphalt Company, a Division of CPM Development – This project involves the construction of a new parking lot at Spokane International Airport. Five bids were received on June 10, 2008. Staff recommends acceptance of the low bid and award of a contract to Inland Asphalt Company in the amount of \$461,522.31, which includes Washington state sales tax. Staff further requests authorization of contingency funds in the amount of \$46,000 for construction contingency and miscellaneous expenses incurred for this project and \$8,500 for construction management services to Hahn Engineering for a total of \$54,500.

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 litigation, personnel and real estate.

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 July 16, 2008 in the Airport Boardroom.