



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 November 19, 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 (10/15/08)**

***Consent Agenda**
(Items #5- #21)

5. ***Approval of Vouchers**
 Construction Warrant Numbers 002961 – 002995 \$3,369,409.38
 Operational Warrant Numbers 104935 – 105281 \$1,611,154.08

6. ***Second Amendment to Lease Agreement – PETNET Solutions, Inc.** – PETNET has leased property in the Business Park since December 2003. The agreement allows for a rental adjustment effective September 1, 2008 and each five year period thereafter. Rent for 43,560 square feet shall be \$0.12 per square foot per annum or \$5,227.20 annually, which does not include Washington state leasehold tax. Staff recommends approval. ABP

7. ***Use Agreement – TJD Delivery d/b/a City Parcel** – City Parcel has taken over Inwest Express, a baggage delivery service, and must enter into a new use agreement. This agreement was effective November 10, 2008 and the fee is \$75 per month. Staff recommends approval. SIA

8. ***Land Lease Agreement – TA-GEG, LLC** – TA-GEG entered into a land lease agreement in November 2007 to construct hangar facilities. In October 2008, the lease was cancelled. TA-GEG has met their outstanding obligations and wishes to enter into a SIA

new lease agreement with construction to commence in the spring of 2009. The rental rate for the initial five-year period shall be \$0.21 per square foot per annum or \$14,846.79 annually for 70,699 square feet of unimproved land. Staff recommends approval.

9. ***First Amendment to Concession Lease Agreement – *The Paradies Shops, Inc.*** – Paradies has been providing retail service to the traveling public since January 1, 2007. Customer demand at certain locations has been reduced over the last several months and the corporate officers have requested a reduction in staffing hours. Staff recommends approval. SIA
10. ***Ninth Amendment to Lease Agreement – *Cenex Cooperative Supply, Inc.*** – Cenex leases 2,000 square feet of land which is used as an automotive fueling facility. The agreement provides for the annual adjustment of rental rates. Effective January 1, 2009, the rent shall be \$0.30 per square foot per annum or \$600 per year, plus \$64.09 per month for use of the storage tank. Staff recommends approval. SIA
11. ***Third Amendment to Food and Beverage Concession Lease Agreement – *Host International, Inc.*** – Host has been providing food and beverage service to the traveling public since January 1, 2006. Customer demand at certain locations has been reduced over the last several months and the Western regional manager has requested a reduction in staffing hours. Staff recommends approval. SIA
12. ***Security Contract for Rental Car Security Services – *Kodiak Security Services, Inc.*** – Kodiak Security has agreed to provide security at the ready return exit booths in the new Rent-A-Car facility. The contract was effective November 1, 2008 and shall continue on a month to month basis. The fee shall be \$15.35 per hour for approximately 20 scheduled hours per day and \$23.03 per hour for any hours worked over and above the scheduled hours. The rental car companies shall reimburse the airport for fees on a monthly basis. Staff recommends approval. SIA
13. ***Second Amendment to Air Cargo Building Lease Agreement – *Southwest Airlines Co.*** – New air cargo building lease agreements have been in place since January 1, 2005. The agreements allow for an annual adjustment of rental rates. Effective January 1, 2009, Southwest Airlines shall pay \$26,611.20 for 3,840 square feet of cargo space. Staff recommends approval. SIA
14. ***Signatory Airline Lease and Operating Amendments – *Alaska Airlines, SkyWest Airlines, Inc., Southwest Airlines, Co. and US Airways*** – The current agreements with the signatory airlines allow for the annual adjustment of rents, fees and charges. Effective January 1, 2009, the amendments reflect an average of 5.5 percent (5.5%) increase in terminal rents and landing fees are being increased to \$1.50 per 1,000 pounds. Staff recommends approval of the amendments with Alaska Airlines, SkyWest Airlines, Southwest Airlines and US Airways. SIA
15. ***First Amendment to Rental Car Quick Turnaround Facility (QTA) Lease and Operating Agreements – *Avis Rent A Car System, Budget Rent A Car System, Enterprise Leasing Company and Vanguard Car Rental USA*** – These amendments are necessary in order to establish the date of beneficial occupancy. The QTA facility was turned over to the rental car operators on August 1, 2008 and is the date of beneficial occupancy and for rental payments to commence. These agreements shall expire on May SIA

31, 2012. Staff recommends approval.

16. ***First Amendment to Concession & Lease Agreements – Avis Rent A Car System, Budget Rent A Car Systems, Enterprise Leasing Company and Vanguard Car Rental –** SIA
This amendment is effective November 1, 2008 and adjusts the number of ready return stalls for each rental car company based on the final number of stalls available and their percentages as highest to lowest proposer. All other terms and conditions of the agreement remain the same. Staff recommends approval.
17. ***Award of Construction Contract, Upper A Concourse Carpet and Floor Repair – Rocky Mountain Construction –** SIA
Two bids for the carpet and floor repair in the Upper A Concourse A hold area of Southwest Airlines were received on November 3, 2008. Staff recommends award of a construction contract to the low responsive bidder, Rocky Mountain Construction, in the amount of \$44,595 which does not include Washington state sales tax. Staff further requests authorization of contingency funds in the amount of \$5,000 for additional costs associated with this project.
18. ***First Amendment to Lease Agreement – Aaron Silk -** FF
In July 2007, Aaron Silk requested a lease for 8,550 square feet of unimproved land to construct an aircraft storage hangar at Felts Field. The FAA has approved the 7460-1 application. The term of the agreement is twenty-five years and commenced October 20, 2008 with the option to renew for one 25-year period. The initial rental rate shall be \$0.18 per square foot per annum or \$1,539 per year plus Washington state leasehold tax. Staff recommends approval.
19. ***First Amendment to Lease Agreement – Jeffrey Alan Smith -** FF
In August 2007, Jeff Smith requested a lease for 7,700 square feet of unimproved land to construct an aircraft storage hangar at Felts Field. The FAA has approved the 7460-1 application. The term of the agreement is twenty-five years and commenced March 19, 2008 with the option to renew for one 25-year period. The initial rental rate shall be \$0.18 per square foot per annum or \$1,386 per year plus Washington state leasehold tax. Staff recommends approval.
20. ***Consent to Assignment of Lease Agreement – Jeffrey Alan Smith to Jeffrey S. Hirshauer –** FF
Jeff Smith has constructed a hangar consisting of approximately 2,500 square feet at Felts Field. Mr. Smith has requested assignment of the lease agreement to Mr. Jeffrey Hirshauer effective November 18, 2009. Staff recommends approval.
21. ***First Amendment to Land Lease Agreements – Gary Stuckle -** FF
In July 2007, Gary Stuckle entered into two land lease agreements for unimproved land to construct two aircraft storage hangars at Felts Field. The FAA has approved the 7460-1 application. The term of both agreements is twenty-five years and commenced October 20, 2008 with the option to renew for one 25-year period. The initial rental rate shall be \$0.18 per square foot per annum or total annual rent of \$4,059 per year plus Washington state leasehold tax. Staff recommends approval.

Regular Agenda

22. **Update of Military Leave and Maternity Leave Policies and Adoption of Domestic Violence Leave Policy -** SIA, ABP, FF
In 1986, the Airport Board adopted Resolution No. 08-86 that established fringe benefits to full-time, non-represented employees. Upon general

review of airport policies, staff and legal counsel recommend modifying this policy to reflect current standards pertaining to military leave and maternity leave. The Board Personnel Committee and staff recommend approval of updated Policy No. 17-08, Military Leave, and Policy No. 18-08, Maternity Leave. The committee and staff also request adoption of a new policy, No. 19-08, Domestic Violence Leave.

23. **Update of Compensation Plan for Non-represented Employees** – In 2006, the Airport Board adopted a compensation plan for non-represented employees. During the summer of 2008 a review of the plan was conducted with the assistance of Mills Consulting. The Board Personnel Committee and staff recommend approval of the update to the compensation plan for non-represented employees. SIA, ABP, FF
24. **Reassignment of Professional Services Agreement, Parking and Road Improvements Projects** – *Womer & Associates* – The original professional services agreement for this project was awarded to WHPacific in September 2008. WHPacific recently closed their office in Spokane and negotiated with Womer & Associates to take over the contract. Staff recommends approval of the reassignment of professional services currently with WHPacific to Womer & Associates for preliminary engineering services in the same amount of \$154,818. Staff further requests that the previous board approval of expenditures in the amount of \$20,000 for this project remain unchanged. SIA
25. **Award of Construction Contract, Cascade Aerospace Mechanical, Electrical and Plumbing Upgrade Project** – Cascade Aerospace will occupy a WWII-era hangar complex and will commence operations on February 1, 2009. Significant improvements to the existing facility are necessary to make ready for their new operation. Bids for this project will be opened on Tuesday, November 18, 2008 and staff expects to make a recommendation of an award of a construction contract at the board meeting on November 19, 2008. SIA

Staff Reports

- **Deputy 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 December 17, 2008 in the Airport Boardroom.