



Indianapolis Airport Authority

IND Board Memorandum – Grant Payment

To: IAA Board of Directors
From: Robert A. Duncan, Airport Director
Date: April 25, 2008
Board Date: May 16, 2008
Subject: Grant Reimbursement payment for the Sixth Hangar Bay Activation per Lease Agreement terms with AAR Aircraft Services, Inc. (AAR)

Recommendation

Approve grant reimbursement payment of \$146,096.01, per the terms of the Lease Agreement dated June 17, 2004. Board Paper 075-08

Scope

Per Lease terms, the Authority is required to issue grant payments to AAR for the activation of the Sixth Hangar Bay in the total amount of \$750,000. Grant reimbursement requests are reviewed in advance of the expenditure and are audited in detail before being submitted to the Board for payment approval. Documentation includes copies of invoices and proof of payment.

To date, AAR has received \$452,475.36, related to the Sixth Hangar Bay activation. This paper requests a third installment of \$146,096.01, of the remaining grant monies of \$297,524.64, to be reimbursed.

The grants are charged to the capital budget.

Schedule

May 16, 2008: Approval by the Authority to issue payment of \$146,096.01, as the third installment for the Sixth Hangar Bay activation grant payment.

May 23, 2008: (approx) Issuance of grant money and execution of Assignment of Equipment documents transferring ownership to IAA.

Revenue and/or Operating Cost Implications

Revenue:

There is no additional revenue associated with the issuance of these grant monies.

Operating Costs:

Annual operating costs associated with this payment are expected to be less than \$10,000 for tool repair and calibration. Per Lease terms, the Authority has the maintenance obligation for tooling and equipment.

Diversity Participation

The Lease Agreement indicates that the Tenant will use its best efforts for Diversity participation in construction related work on materials and professional services; however, no requirements are imposed on the Tenant or Authority concerning this grant reimbursement.



Indianapolis Airport Authority

IND Board Memo – Approval of Plans & Specs

To: IAA Board of Directors

From: Robert A. Duncan, Airport Director

Date: April 28, 2008

Board Date: May 16, 2008

Subject: Approval of Plans and Specifications for Bid Package I-08-37-Glycol Storage Pad & Ground Service Equipment (GSE) – Fueling Area and Authorize the Bidding Process

Background

Areas near the new Apron are required to allow fueling of the Ground Service Equipment servicing the apron operation. Additionally, an area near the apron is required to house storage tanks for fluids to support the deicing operations on the apron. It has been determined that the most effective option for the GSE support area would be to locate one at both the north and south ends of the new Apron to minimize traffic and travel distances on the apron. It was determined that the deicing operation only needed one location for storage since this was less active. The area south of the apron was determined to be the best location for the storage tanks.

Recommendation

The IND staff has reviewed the proposal and recommends that you:

Consider for approval Plans and Specifications for Bid Package I-08-37 – Glycol Storage Pad & Ground Service Equipment (GSE) Fueling Area, as prepared by R. W. Armstrong and Associates and authorize the public bidding process. Board Paper 081-08

Scope

This package provides for a concrete paved area north of the new Apron to support a Ground Service Equipment (GSE) fueling operation and a concrete paved area south for the new apron to support a Ground Service Equipment fueling operation, above ground storage tanks for deicing fluids and designated parking spaces for ground equipment. These paved areas also include associated storm water control, associated electrical power and lighting,

canopies over the Ground Service Equipment and make-up water for the de-icing storage tanks.

Total package is estimated between \$1,000,000 and \$5,000,000.

Schedule

Pre-Bid Meeting	May 29, 2008	Time: 10:00a.m.	Location: Break Room
Bid Opening	June 10, 2008	Time: 10:00a.m.	Location: Break Room

Est. Bid Award (Board Mtg) June 20, 2008

Work is expected to start July 2008 and substantial completion date is expected to be September 2008.

Diversity Participation

The Diversity Director has conferred with the Construction Manager and they estimate the opportunities for XBE% involvement on this project to be 14% DBE, 9% MBE and 5% WBE. The Construction Manager and the Diversity Director are working with the community on this upcoming package to reach or exceed these targeted goals.





IND Board Memo - Bid Award

To: IAA Board of Directors

From: John J. Kish, Executive Director

Date: April 4, 2008

Board Date: May 16, 2008

Subject: Approval of Contract with Evans Development Company, Inc. for the 2007 Deicing Control Facilities Improvement Project – Aerators Package, Project # I-07-011-1934-B

Background

On August 3, 2007, you approved plans & specs for CIP #19 – Construction of the 2007 Deicing Control Facilities Improvement Project – Aerators Package, and authorized the public bidding process.

On August 30, 2007, we received a total of three (3) bids ranging from \$450,700 to \$525,000.

The bids received exceeded the project estimate and budget. The review of the pump costs indicated that the market price had greatly increased following the estimating process. The project scope, consisting primarily of purchase and installation of five aerators, was re-evaluated to determine whether fewer pumps would be satisfactory. The analysis supported the need for the five aerators in order to maximize the breakdown of glycol in the collection basins. The contractor agreed to hold his bid until spring 2008 when the 2007/2008 deicing season ended and he could have an uninterrupted construction season.

Based on the overall project costs, a letter was sent to the Airlines notifying them of the increase in overall project cost and this action required only notification under Section 8.01 (D)(1), to facilitate compliance with a rule or regulations of a government agency.

Recommendation

The IND staff has reviewed the proposal and recommends that you:

Consider for approval a contract with Evans Development Company, Inc. for construction of the 2007 Deicing Control Facilities Improvement Project - Aerators Package, Project # I-07-011-1934-B in an amount not-to-exceed \$450,700 and increase the project budget to \$800,000. DBE 3.29% (Brooks Hayden Electric and Major Engineering), MBE 3.97% (Brooks Hayden Electric, Baja Concrete and Materials and Major Engineering) and WBE 0.43% (Laura Kopetsky Triax Inc.). Board Paper 073-08

Scope

The 2007 Deicing Control Facilities Improvement project consists of two (2) components: control building and aerators. This contract is for the installation of the aerators, three (3) in the clean side of Seerley Creek Basin and two (2) in the clean side of Mars Ditch Basin.



The Deicing Control Facilities Improvement Project #I-07-011-1934-B is CIP #19 in the 2008 Budget Book. The 2007 budget was \$400,000. It was reforecasted in the 2008 Capital Budget to \$600,000. The cost of this contract is \$450,700 and when added to the control building component the full 2007 project is now estimated at \$800,000. The project/construction timeline has been adjusted to 2008.

MII notification was provided to the Signatory Airlines in accordance with Section 8.01 (D)(1) of the Signatory Agreement.

Schedule

The term of this contract is expected to begin **May 19, 2008** and conclude **December 31, 2008**.

Diversity Participation

The Diversity Director has reviewed Evans Development Company, Inc's Diversity Program on March 26, 2008 and has approved the attached DBE/MBE/WBE participation verification report. It is the Diversity Director's opinion that Evans Development Company, Inc demonstrated good faith efforts in reaching the D/M/WBE goals of 14%, 9%, 5% respectively.

FIRM	CLASSIFICATION	AMOUNT	%
Major Engineering	D/MBE	\$1,500	0.33
Laura Kopetsky Triax Inc.	WBE	\$1,950	0.43
Baja Concrete and Materials	MBE	\$3,054	0.68
Brooks Hayden Electric	D/MBE	\$13,323	2.96
Totals	DBE		3.29
	MBE		3.97
	WBE		0.43





IND Board Memorandum – Bid Award

To: IAA Board of Directors

From: John J. Kish, Executive Director

Date: May 2, 2008

Board Date: May 16, 2008

Subject: Award of CIP #14 and #30 – 2008 Snow Vehicle Replacement Program to Brickyard International, Inc., Southeastern Equipment Company, Inc., and Kodiak Northwest, Inc.

Background

The 2008 Capital Improvement Program includes replacement of aged snow removal equipment as well as new snow removal equipment necessary to service the new IND apron. Projects approved in the 2008 CIP Summary are:

- #14 - Snow Vehicle Replacement Program, replaces one (1) airfield snow broom
- #30 - New Apron Mobile Equipment, purchases a new snow melter and replaces a snow blower and front end loader. This is needed to service the new apron (110 acres).

These two (2) CIP items were combined and bid as 2008 Snow Vehicle Replacement Program.

Recommendation

The IND staff has reviewed the bids and recommends that you:

Consider for approval an award of contract for bid package I-08-001-2038-B, Rebid 2008 Snow Vehicle Replacement Program, to the lowest responsive and responsible bidders:

- Brickyard International, Inc. in an amount not-to-exceed \$321,325.22 for one (1) Snow Broom. D/WBE 0% and MBE 3.11% (Team Cruiser Conversion Company).
- Southeastern Equipment Company, Inc. in an amount not-to-exceed \$229,950 for one (1) Front End Loader. D/M/WBE 0%.
- Kodiak Northwest, Inc. in an amount not-to-exceed \$502,000 for one (1) Snow Blower. D/M/WBE 0%. Board Paper 080-08



Scope

The equipment was originally bid on January 24, 2008. Of the six (6) bidders for the various machines, only one (1) company, Carnegie Body, had a bid that could be considered responsive and responsible. Carnegie Body provided the lower of the two (2) bids received for the Snow Melter.

On March 21, 2008, the board approved an award of contract for bid package I-08-001-2038-A, 2008 Snow Vehicle Replacement Program, Snow Melter, to Carnegie Body in the amount of \$450,000, rejected the bids for the snow broom, the loader, and the snow blowers, and approved specifications and the public bidding process to re-bid them.

On April 21, 2008, we received:

- Three (3) bids ranging from \$321,325.22 to \$449,300 for one (1) Snow Broom;
- Four (4) bids ranging from \$229,950 to \$281,900 for one (1) Front End Loader; and
- Four (4) bids ranging from \$502,000 to \$609,800 for one (1) Snow Blower.

Schedule

Work on the equipment is expected to begin **May 19, 2008** and conclude **February 13, 2009**.

Diversity Participation

The Diversity Director has reviewed the companies' Diversity Programs on April 23, 2008 and has approved the attached DBE/MBE/WBE participation verification reports. It is the Diversity Director's opinion that the companies demonstrated good faith efforts, but did not reach the D/M/WBE goals of 0%, 5%, and 2%, respectively:

- Brickyard International, Inc.
D/WBE 0%, MBE 3.11% (Team Cruiser Conversion Company)
- Southeastern Equipment Company, Inc.
D/M/WBE 0%
- Kodiak Northwest, Inc.
D/M/WBE 0%





Board Memo – Award of Contract

To: IAA Board of Directors

From: John J. Kish, Executive Director

Date: April 28, 2008

Board Date: May 16, 2008

Subject: Approval of Contract with Creative Street Media Group (CSMG) for Web Site Merge and Redesign Project

Recommendation

The IND Communications & Marketing Department recommends you:

Consider for approval a contract with Creative Street Media Group for development and execution of a plan to merge the newindianapolisairport.com and indianapolisairport.com Web sites for the opening of the new airport complex in an amount not to exceed \$90,000 (including expenses for photography and graphics production). D/M/WBE 0%

Scope & Budget

This cost estimate is based upon a scope of work that includes: (1) a comparative analysis of IND's Web sites with designated benchmark U.S. airports and (2) the development of a strategic plan that will help IAA utilize the Web to meet current and future communication and marketing objectives targeting key stakeholders.

Specifically, the project deliverables include:

1. Content recommendations and technical implementation strategy for merging newindianapolisairport.com and indianapolisairport.com into a single site.
2. Recommendations for new content management system (CMS) and Web hosting services (i.e., dedicated development / production server environment, full-service management, administration, support, daily back-up, maintenance, user analytics, and server upgrades).
3. Flexible wireframes (templates) to control page structure and consistency. Internal usability testing with diverse mix of front-line IAA staff to test navigation schema, user paths, global and local navigation, and branding to be completed before technical production and content migration begins.

4. Process outline and schedule for technical production, testing, adjusting, and debugging (including but not limited to programming, coding, scripting, software customization, database integration, integration with third-party applications, metadata design and classification, and content migration) through launch.

5. Technical training and documentation for designated IAA staff. Examples include: (1) training on Web hosting service; (2) content steward and approver training to create, submit, and maintain pages, make text edits, and navigating the approval process; and (3) detailed documentation of site set-up and maintenance.

6. Ongoing technical support and assistance for a minimum of one (1) year after launch. Examples include: debugging and modifying scripts, modifying functionality, adjusting templates, and/or creating new templates.

Budget Summary

This cost estimate is based on the above scope of work.

Preliminary research	\$ 3,500
Project management & documentation	\$ 4,000
Site design and development	\$60,000
Flight data and iCIMS integration	\$ 6,500
Data collection application	\$ 3,500
One year technical support and maintenance	\$ 5,000
Adobe Contribute software licenses*	\$ 5,000
Stock and specialized photography/graphics production	\$ 8,000
TOTAL (minus \$9,000 Creative Street Media Group pro bono investment)	\$86,500

Other costs

One year Web site hosting and set-up fees *	\$ 5,600
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** Cost to IT Department per Tim Konopinski*

Additional Considerations

- Stock photography and graphics can be “repurposed” for other communications and marketing projects, thereby establishing visual consistency and increasing brand awareness
- Target date for completion is before new airport opening; depending on technical issues and difficulties that could arise, that date may need to be extended until the end of the year. In this event, the existing Web sites will remain available and viewable by the general public.

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Schedule

The term of this contract is expected to begin **May 16, 2008** and conclude **October 31, 2008.**

The latest date anticipated for project conclusion would be December 31, 2008.

Diversity Participation

The Diversity Director has reviewed the attached DBE/MBE/WBE participation verification report on April 16, 2008 and approved the plan as indicated on April 21, 2008.

A number of possible Web development and IT companies were researched for this project.

A total of 25 vendors were considered, including:

- 14 MBE / DBE / and-or XBE vendors with technology backgrounds who participated in IAA’s Contractor Assistance Program Seminars (CAPS). These firms specialized in network management and security companies, systems integration, end-user training, database and technical project managers, and telecommunications. Of this number, one of the 14 indicated Web site design and hosting among their service offerings. A review of the firm’s work was not comparable in degree of complexity required by IAA, thus eliminating them from further consideration.
- 11 other vendors were considered, including two MBE and one WBE. Of this number, one WBE advanced to the top three firms considered for the project but was not selected by the project team as the best vendor to complete the scope of work.

Board Memo - Contract



To: IAA Board of Directors

From: John J. Kish, Executive Director

Date: April 14, 2008

Board Date: May 2, 2008

Subject: Approval of contract with HendrixRaderWise for media planning and media purchases (buys) for new airport paid advertisement and communications

Recommendation

The IND staff has reviewed the proposal and recommends that you:

Consider for approval a contract with HendrixRaderWise for development and execution of media planning and media procurement (buys) in an amount not-to-exceed \$105,050 plus incidental expenses or not more than 15% of media procurement (buys), media planning, awareness drivers & sponsorships and incidentals. This contract specifically provides compensation for subject service provider to purchase appropriate media on behalf of the Indianapolis Airport Authority. D/M/WBE 0%

Cost estimates of the actual media procurement details are listed within this paper and should not exceed \$700,000. (See following pages).

Recommend that the Executive Director be given delegated authority to approve all invoices which document actual media placement as presented by service provider.

Scope

This cost estimate is based on developing a media plan and buy to effectively support the airport's opening and event communication goals and objectives.

Media Proposal

1. Media plan - \$3,500.00

Create a highly targeted media plan with corresponding strategies and media space costs to achieve the airport's goals for both the grand opening and event-specific program.

- Target audiences and Designated Market Area (DMA) market priorities: Best target prospects using Scarborough, MRI, corporate in-house, and trade research for target market area.
- *Primary:* Combined Business/Personal travelers
- *Secondary:* Business travelers
- *Tertiary:* Influencers (government, business leaders, media, university/colleges, and internal constituents)

Memo Re: **HendrixRaderWise – Media Procurement (Buys)**

- Target geography:
 - Indianapolis DMA (central Indiana)
- Media Mix: Leverage consumer-centric research to identify best media channels for 360 coverage of target.
 - Media consumption habits using Scarborough to surround prospect with media properties delivering least amount of audience waste resulting in media savings
 - Leisure/lifestyle habits to get at the behavior patterns of the target and build plans to mirror these findings
 - Media Mix for desired reach and frequency levels to achieve the Grand Opening and specific event goals. Identify:
 - Media Mix: Consider combination of TV/Cable TV, radio, out-of-home, print (consider print-regional buy of national publications), online, direct mail and e-news.
 - Media weight / TRP levels: plan at effective thresholds for best use of media spending
 - Flight patterns, timing and targeted day-part allocation
 - Media planning costs against recommended plan

2. Media Buying, Negotiations and Stewardship – 15% media commission

- Aggressively negotiate rates and added-value by leveraging significant media market knowledge, rep relationships, and resources
- Review electronic online traffic systems for efficiencies
- Generate user-friendly media flowcharts that summarizes all media activity
- Monitor schedules and negotiate any under-deliveries and make-goods
- Run post buys and invoice reconciliation for full accountability
- Rely on any all tracking reports or redemption results from campaign to track results

Note: The costs estimated for media buying, negotiations and stewardship based on the media procurement (buy) plan is estimated at \$627,000 and thus the contract amount reflects a 15% commission of this amount.

3. Awareness Drivers and Sponsorships – 15% media commission

In addition to targeted media plans, create relevant awareness drivers and sponsorships when appropriate through:

- Lifestyle-based cross-promotions that mirror prospects' behavior patterns and market dynamics; turn into added-value and trade when appropriate (includes sports sponsorships)
- Seasonal/topical promotions
- Web-based promos to drive prospects to download special coupon offers (e.g., free parking) for redemption at the airport
- Community care-giving plans and sponsorships
- Loyalty retention/frequency-user promotions (e.g., rewards cards)

Note: The costs of obtaining awareness drivers and sponsorships is unknowable until said service provider initiates the plan to obtain media in this segment, the amount of the commission cannot be provided. The contract amount reflects an estimated amount and not-to-exceed figure for this segment being 15% of \$50,000.

Budget Estimate Summary:

▪ Media Planning	\$ 3,500
▪ 15% commission on estimated \$627,000 media buy	94,050
▪ 15% commission on an estimated \$50,000 sponsorship buy	<u>7,500</u>
▪ Estimated Total	\$105,050

Other Considerations

- Media plan needs to work in tandem with the airports' PR plans to efficiently extend IAA voice
- Need to buy all media at one time and as soon as possible for greater savings; plus need to be prepared to combat the political buying environment we face in 4thQTR

Media Resources

- Scarborough – brand and media consumption habits as well as demographic, lifestyle and product information
- MRI – magazine-centric demo study
- Arbitron – local radio ratings by demo and market
- Nielsen – local TV ratings by demo and market
- Other media research tools – Nielsen DMA Market & Demographic Rank, Nielsen U.S. Cities by Designated Market Area

(EXAMPLES & ESTIMATES ONLY – ACTUAL NEGOTIATIONS DETERMINE FINAL COSTS)

Budget Estimates, Media Segments (Coverage), and Timing:

Television: \$256,000 gross on television stations WTHR, WISH, WRTV, WXIN, WIIH- Univision Indiana and high level programming. (Includes but are not limited to these media), 3 weeks for every month for 3 ½ months.

Radio: \$73,000 gross on radio stations WFMS, WIBC, Radio One stations, WEDJ-FM 107.1, WSYW-AM 810 and WFBQ during drive times for 3 weeks for every month for 3 months. (Includes but may not be limited to these media).

Cable: (covering the majority of the DMA) \$83,000 gross on ESPN, TNT, History, Discovery, The Weather Channel, Travel Channel, and Video on Demand for 3 weeks per month for a 3 ½ month period. (Includes but may not be limited to these media).

Billboards: \$190,000 gross for 9 boards placed on I-465, I-65 North and South, I-70 East and West, I-69 and SR 37 South. In addition, to gain exposure in the Central Indiana area, we will also have outdoor placed on I-65 North near Lafayette, I-69 near Muncie, I-70 East near Richmond, West near Terre Haute and I-74 coming in from Cincinnati. (Includes but may not be limited to these locations). This will be a 3 month program.

Print/Online: \$25,000 gross for Indianapolis Business Journal, Indianapolis Star, Indianapolis Recorder, La Voz de Indiana, Indiana Minority Magazine. (Includes but may not be limited to these media). Placements begin early July to meet advertising publication deadlines.

Note: The costs of obtaining awareness drivers and sponsorships is unknowable until said service provider initiates the plan to obtain media in this segment, the amount of the commission cannot be provided. The contract amount reflects an estimated amount and not-to-exceed figure for this segment being 15% of \$50,000.

Budget Summary:

▪ Media Planning	\$ 3,500
▪ 15% commission on estimated \$627,000 media buy	94,050
▪ 15% commission on an estimated \$50,000 sponsorship buy	<u>7,500</u>
▪ Estimated Total	\$105,050

Other Considerations

- Media plan needs to work in tandem with the airports' PR plans to efficiently extend IAA voice
- Need to buy all media at one time and as soon as possible for greater savings; plus need to be prepared to combat the political buying environment we face in 4thQTR

Media Resources

- Scarborough – brand and media consumption habits as well as demographic, lifestyle and product information
- MRI – magazine-centric demo study
- Arbitron – local radio ratings by demo and market
- Nielsen – local TV ratings by demo and market
- Other media research tools – Nielsen DMA Market & Demographic Rank, Nielsen U.S. Cities by Designated Market Area

Schedule

The term of this contract is expected to begin **May 5, 2008** and conclude **December 31, 2008.**

Service Provider Selection Process:

Quotes were sent to four (4) local firms identifying media planning and procurement as a key business offering.

HendrixRaderWise
921 East 66th Street, Suite A
Indianapolis, IN 46220

KH Complete Advertising (WBE)
6280 North Shadeland Ave Suite B
Indianapolis, IN 46220

Executive Media (Declined to quote)
101 W Ohio St # 720
Indianapolis, IN 46204

Zline Media (Declined to quote)
1109 Downey Avenue
Indianapolis, IN 46219

Diversity Participation

Service Provider Selection Justification:

Considering the complexity of media placement it was important to consider service providers with extensive and a focus on this expertise as a business offering. The recommended service provider, HendrixRaderWise, not only has expertise in strategic media placement, but does so paired with appropriate demographic research application.

The sole MBE indicating media placement as a business offering chose not to provide a quote. The WBE company providing a quote did not appear to have as strong a history of complex media placement.

Through the due diligence process of assessing and meeting with potential service providers, the decision in selecting (recommending) HRW is based on a history of working with the airport authority as well as our ability to leverage research along with media placement. Additionally, HRW indicates negotiating placement along with soft sponsorship aids in reducing costs. No other quoting entities expressed this critical strategic step.



IND Board Memo - Contract

To: IAA Board of Directors
From: John J. Kish, Executive Director
Date: May 8, 2008
Board Date: May 16, 2008
Subject: Approval of Contract with Applications Software Technology Corporation for implementation of Oracle fixed assets module

Recommendation

The IND staff has reviewed the proposal and recommends that you:

Consider for approval a contract with Applications Software Technology Corporation for implementation of Oracle fixed assets module in an amount not-to-exceed \$100,000 to be paid out of the Operating Budget. DBE 0%, MBE 0% and WBE 0%. Board Paper 082-08

Background

Currently, the Finance department uses Sage software to track Indianapolis Airport Authority fixed assets, which does not interface with the other Oracle financial applications utilized by the Finance and Accounting departments and has multiple functionality limitations within its application. Implementing Oracle fixed assets will provide critical new functionality to track and manage Authority assets, including \$1.066 billion in New Indianapolis Airport project/assets. Oracle provides functionality to better track assets to the airport's maintenance software and will eliminate manual reconciliation (decreasing potential for errors, as well as improved efficiency) from Oracle general ledger module to the Sage sub-ledger module.

Applications Software Technology Corporation is an Oracle E-Business systems integrator that has received Oracle's Certified Advantage Partner recognition. This company successfully performed the Oracle upgrade of the IAA financial and purchasing modules in 2006.

Scope

Applications Software Technology Corporation will implement the Oracle fixed asset module in the current Oracle release 11i E-Business Suite prior to the opening of the new Indianapolis Airport terminal.

Schedule

The term of this contract is expected to begin **May 16, 2008** and end **July 31, 2008**.



Revenue and/or Operating Cost Implications

Revenue:

There is no revenue associated with this agreement.

Operating Costs:

The budget for Applications Software Technology Corporation is \$100,000.

Diversity Participation

Applications Software Technology Corporation's MBE certification from the State of Indiana has expired. Applications Software Technology Corporation will self perform the consulting services for this contract with no opportunity to sub contract services. If certification is obtained during this contract, we will begin counting the participation from that date forward.

