



Agenda  
Indianapolis Airport Authority  
February 21, 2013  
8:30 AM

- I. **Call to Order**
- II. **Approval of Minutes of the Pre-Board and Regular Meeting of January 17, 2014**
- III. **Ordinances, Resolutions and Public Hearings**
  - a) Introduction of **General Ordinance No. 2-2014** concerning the revision and modification of the IAA Smoking Ordinance.
  - b) Consider for approval **Resolution No. 1-2014** granting the Executive Director, or his authorized representative, authorization to apply for, and accept, Offers extended to it by the FAA, TSA, or INDOT.
  - c) Consider for approval **Resolution No. 2-2014**, Authorizing, Extending or Amending Existing Swap Agreements.
- IV. **Board Reports**
  - a) President's Report
  - b) Sub-Committee Annual Reports
    - i. Finance and Audit Committee – *Ms. Jean Wojtowicz*
    - ii. Human Resources Committee – *Mr. Lynn Gordon*
    - iii. Reliever Airport Committee – *Mr. Alfred Bennett*
- V. **Official Actions**

Consider for approval the individual items listed on the IAA General Agenda dated February 21, 2014.
- VI. **Staff Reports**
  - a) Executive Director Report – *Mr. Bob Duncan*
  - b) Annual Financial Presentation – *Mr. Robert Thomson*
  - c) Annual Diversity Presentation – *Ms. Holli Harrington*
- VII. **Other Reports/Update**
- VIII. **Board Communications**

*Next Meeting: Friday, March 21, 2014 @ 8:30 a.m.*
- IX. **Adjourn**

**MINUTES**  
**Board of Directors Meeting**  
**Indianapolis Airport Authority**

The Regular Meeting of the Indianapolis Airport Authority Board was called to order at 8:32 a.m., January 17, 2014, in the Airport's Board Room at Indianapolis International Airport.

**Present at commencement of the meeting and comprising a quorum were:**

Michael W. Wells, President  
Kelly J. Flynn, Vice President  
Alfred Bennett, Secretary  
Jean Wojtowicz, Member  
Steve C. Dillinger, Member  
Jack T. Morton, Jr., Member  
David C. Lewis, Member  
Karen Caswelch, Member  
Philip C. Borst, Member  
Lynn T. Gordon, Advisory Member

Rex M. Joseph, IAA Board Counsel

**IAA executive staff attending:**

Robert A. Duncan, Executive Director  
Mike Medvescek, Sr. Director of Operations  
Marsha Stone, Sr. Director of Commercial Enterprise  
Joseph Heerens, General Counsel  
Shannetta Griffin, Sr. Director of Planning & Development  
Robert Thomson, Sr. Director of Finance  
Jamie Leap, Sr. Administrative Assistant/Recording Secretary

**APPROVAL OF MINUTES**

Upon a motion by Mr. Flynn, seconded by Ms. Wojtowicz and unanimously passed, approval was given to the Minutes of both the Pre-Board and Regular Meetings of December 20, 2013.

**ELECTION OF OFFICERS OF THE INDIANAPOLIS AIRPORT AUTHORITY BOARD**

Mr. Gordon proposed that: (1) the following IAA Board members be elected to the following officer positions on the Board: (a) Michael W. Wells as President; (b) Kelly J. Flynn as Vice President; and (c) Alfred Bennett as Secretary; *and* (2) the following individuals be appointed to the following positions with the IAA: (a) Robert Thomson as Treasurer; (b) Heidi Babkowski as Assistant Treasurer; (c) Joseph Heerens as Assistant Secretary; and (d) Rex Joseph as Board Counsel.

Upon a motion by Mr. Bennett, seconded by Ms. Caswelch and unanimously passed, approval was given to the foregoing election and appointments.

## **ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS**

President Wells next opened the public hearing and described General Ordinance No. 1-2014, concerning the revision and modification of Airport Security Enforcement Program. President Wells asked if there were any other comments or testimony. There being none, he asked for a motion.

Upon a motion by Ms. Wojtowicz, seconded by Mr. Dillinger and unanimously passed, approval was given to General Ordinance No. 1-2014.

## **BOARD REPORTS**

### **President's Report**

President Wells expressed his appreciation to the IAA's staff for their accomplishments in 2013 and to his fellow board members for their time and efforts in serving the IAA and their respective communities. He thanked Mr. Medvescek and the entire snow team for their outstanding performance and response to the major snow storm in Indianapolis.

## **OFFICIAL ACTIONS**

INTRODUCTION AND APPROVAL OF THE INDIANAPOLIS AIRPORT AUTHORITY'S GENERAL AGENDA, DATED January 17, 2014: President Wells introduced and then verbally described each of the individual items listed on the General Agenda, after which he asked for separate motions of approval, as follows:

**BP2014-01-1**. Upon a motion by Mr. Morton, seconded by Mr. Flynn and unanimously passed, approval was given to BP2014-01-1.

**BP2014-01-2**. Upon a motion by Mr. Bennett, seconded by Ms. Wojtowicz and unanimously passed, approval was given to BP2014-01-2.

**BP2014-01-3**. Upon a motion by Mr. Lewis, seconded by Ms. Caswelch and unanimously passed, approval was given to BP2014-01-3.

**BP2014-01-4**. Upon a motion by Mr. Flynn, seconded by Mr. Morton and unanimously passed, approval was given to BP2014-01-4.

**BP2014-01-5**. Upon a motion by Mr. Lewis, seconded by Ms. Caswelch and unanimously passed, approval was given to BP2014-01-5.

**BP2014-01-6**. Upon a motion by Mr. Morton, seconded by Ms. Wojtowicz and unanimously passed, approval was given to BP2014-01-6.

**BP2014-01-7**. Upon a motion by Mr. Bennett, seconded by Ms. Caswelch and unanimously passed, approval was given to BP2014-01-7.

**STAFF REPORTS**

**Executive Director Report**

Mr. Duncan noted an 8.1% increase in enplanements in December 2013 compared to prior year, and that this increase is a positive development.

In addition, Mr. Duncan shared a video taken during the recent snow storm, and asked that Mr. Medvescek narrate and comment on the footage. Mr. Medvescek indicated that his snow team was successful in keeping two of the three runways open at the Indianapolis International Airport, as planned; and that the new snow equipment had significantly improved the efficiency and effectiveness of the IAA's overall snow removal operation.

**ADJOURNMENT**

President Wells announced that the next IAA Board meeting is scheduled for February 21, 2014.

There being no further business, the meeting was adjourned at 8:47 a.m.

INDIANAPOLIS AIRPORT AUTHORITY\*

\_\_\_\_\_  
Michael W. Wells, President

\_\_\_\_\_  
Alfred R. Bennett, Secretary

Date: \_\_\_\_\_

\*Signed under authority of IAA Board Resolution #6-2013



## BOARD MEMO – AMENDED SMOKING ORDINANCE

To: IAA Board of Directors

From: Robert Duncan, Executive Director  
Joseph Heerens, General Counsel

Date: February 3, 2014

Board Date: February 21, 2014

Subject: Revision and Modification of IAA Smoking Ordinance

### **Background**

In 1995, the Indianapolis Airport Authority (the “IAA”) adopted a Smoking Ordinance (General Ordinance No. 1-1995), which was subsequently amended and modified by the adoption of General Ordinance Nos. 3-2007 and 6-2007 (hereinafter referred to collectively as the “2007 Smoking Ordinance”). The IAA determined it was desirable to protect the public health by regulating smoking on airport properties, to ensure the right of non-smokers to breathe smoke-free air, and to recognize that the need to breathe smoke-free air should have priority over the desire to smoke.

In an effort to further address smoking and smoking-related products at IAA airports, certain changes are being proposed which are reflected in General Ordinance No. 2-2014 (“2014 Smoking Ordinance”). The 2014 Smoking Ordinance revises and modifies the 2007 Smoking Ordinance in the following ways:

- (i) Deletes numerous provisions of the 2007 Smoking Ordinance that have expired or are no longer applicable at this time;
- (ii) Expands the definition of “smoking” to include not only lighted cigarettes, cigars, pipes and other lighted smoking equipment, *but also* the use of smoking-related equipment commonly known as “electronic cigarettes”, “vapor pens” and other similar devices;
- (iii) Clarifies that “smoking” does not include the chewing of tobacco or snuff;
- (iv) Specifies, consistent with the laws of the State of Indiana, that smoking is prohibited within eight (8) feet of any public entrance to any public place and place of employment at any of the IAA’s airports;
- (v) Expands the list of individuals authorized to issue citations for violations from the Executive Director, the IAA Police Department, the IAA Fire

Department and the IAA Duty Managers, *to now also include* the IAA Senior Directors, IAA Directors, and managers and supervisors of the IAA Parking Department; but also removes the IAA Public Safety Officers from this list due to the elimination of this group of employees in 2012; and

- (vi) Modifies the penalties for violations by eliminating the written warning for a first-time offense and the escalating fines that reset on an annual basis, with a simplified approach that establishes a \$75.00 fine for any offense, whether first-time or otherwise.

For ease of reference, attached hereto is a marked-up (redlined) copy of the Ordinance, as well as a clean copy which incorporates all of the proposed changes.

Pursuant to statutory requirements, the 2014 Smoking Ordinance must be *introduced* at a public meeting of the IAA's Board. The next step in the statutory process will be for the 2014 Smoking Ordinance to receive a *hearing* at a subsequent public meeting of the Board where the general public may testify and offer their comments. That public hearing is scheduled to occur on March 21, 2014. Also, the required public notices necessary for this process have been published for this step in the process.

**Diversity Participation**

Not applicable.

**Schedule**

February 21, 2014

Introduction of General Ordinance No. 2-2014

March 21, 2014

Public Hearing/Consideration for Adoption of said Ordinance

**GENERAL ORDINANCE 2-2014**

**Revising and Modifying**

**GENERAL ORDINANCE 6-2007**

**WHEREAS**, smoking is a cause of annoyance, discomfort and physical irritation to non-smokers;

**WHEREAS**, the federal government, acting through the Environmental Protection Agency, the Center for Disease Control and Prevention, and the Department of Health and Human Services, has determined that second-hand tobacco smoke is a carcinogen hazardous to non-smokers, contributes to the risk of acute myocardial infarction and coronary heart disease;

**WHEREAS**, the Board of the Indianapolis Airport Authority (“IAA”) previously adopted General Ordinance 1-1995, General Ordinance 3-2007 and General Ordinance 6-2007 (collectively, the “2007 Ordinance”), regulating smoking at its Airport Facilities (hereinafter defined);

**WHEREAS**, the IAA has determined that the 2007 Ordinance needs to be further amended and revised with respect to smoking restrictions at the Airport Facilities, in order to: (1) protect the public health and welfare by regulating smoking at all Airport Facilities; (2) ensure the right of non-smokers to breathe smoke-free air; and (3) recognize that the need to breathe smoke-free air shall have priority over the desire to smoke; and

**WHEREAS**, the 2007 Ordinance is hereby amended and revised, and, from and after the Effective Date (hereinafter defined), the Smoking Ordinance shall hereafter read as follows:

### **SECTION 1 – DEFINITIONS**

(a) *“Airport Facility”* or *“Airport Facilities”* means the Indianapolis International Airport, Hendricks County Airport-Gordon Graham Field, Eagle Creek Airpark, Indianapolis Regional Airport, Indianapolis Metropolitan Airport, the Indianapolis Downtown Heliport, and the IAA’s Habitat Conservation Areas.

(b) *“Employee”* means a person who is employed by an entity in consideration for direct or indirect monetary wages or profit, and a person who volunteers his or her services.

(c) *“Employer”* means a person or entity that employs the services of one or more individual employees.

(d) *“Executive Director”* means the person so designated by the IAA’s Board.

(e) *“Smoking Ordinance”* means this General Ordinance 2-2014.

(f) *“Smoking”* means the carrying or holding of a lighted cigarette, cigar, pipe, or any other lighted smoking equipment, the use of an electronic cigarette (also known as an “e-cigarette”), vapor pens or other similar devices, or the inhalation or exhalation of smoke from any lighted smoking equipment. However, the term *“smoking”* does not include the burning of incense, or the chewing of tobacco or snuff.

### **SECTION 2 – SMOKING RESTRICTIONS**

The following buildings and areas under the IAA’s jurisdiction are declared smoke-free and subject to the following smoking restrictions:

(a) No smoking is permitted within any building or structure on any Airport Facility.

(b) Smoking is prohibited at any time within or on any IAA-owned or operated motor vehicle or motorized equipment of any type.

(c) An Employer shall have the discretion to authorize or prohibit smoking within or on motor vehicles or other motorized equipment owned or operated by the Employer, provided that such motor vehicles or equipment are only operated outdoors.

(d) No smoking is permitted on any air operation area, fuel farm, and those areas defined in General Ordinance 1-1986, Rules and Regulations for the Use of the Airports and their Facilities, Section 3.9(d), or any other area designated by the Executive Director for fire safety reasons at any Airport Facility.

(e) Notwithstanding anything herein to the contrary, smoking is, and shall at all times, be prohibited within eight (8) feet of any public entrance to any public place and place of employment on any Airport Facility.

### **SECTION 3 – AUTHORIZED SMOKING AREAS**

(a) Smoking may be permitted outdoors *only* in specifically marked designated “smoking areas” if, and to the extent, approved, in writing, by the Executive Director.

(b) Smoking is permitted within privately-owned vehicles while on an Airport Facility.

### **SECTION 4 – PROHIBITION OF SMOKING**

Smoking is prohibited within any building or structure on any Airport Facility, except as may be otherwise authorized by the terms of this Smoking Ordinance. In

addition, notwithstanding anything herein to the contrary, smoking is, and shall at all times, be prohibited within eight (8) feet of any public entrance to any public place and place of employment on any Airport Facility.

#### **SECTION 5 – ADDITIONAL REQUIREMENTS**

No smoking shall be permitted in any area of any Airport Facility without the written permission of the Executive Director. No ashtrays or other smoking paraphernalia shall be permitted by the owner, operator, manager, or other person or entity having control of an area where smoking is prohibited by this Smoking Ordinance.

#### **SECTION 6 – NON-RETALIATION**

No person or Employer shall discharge, refuse to hire, or in any manner retaliate against an Employee, applicant for employment, or customer because that Employee, applicant, or customer exercises any rights afforded by this Smoking Ordinance, or reports, or attempts to prosecute, a violation of this Smoking Ordinance.

#### **SECTION 7 – ENFORCEMENT**

(a) This Smoking Ordinance shall be enforced by the following IAA personnel, who are hereby authorized and empowered to issue citations for the violation of this Smoking Ordinance: (i) IAA's Executive Director, Senior Directors, and Directors; (ii) IAA Police Department; (iii) IAA Fire Department; (iv) IAA Duty Managers; and (v) managers and supervisors of the IAA Parking Department.

(b) An owner, manager, operator, or Employee of a public place or place of employment regulated by this Smoking Ordinance on an Airport Facility shall inform

persons violating this Smoking Ordinance of the appropriate provisions hereof, and shall ask those persons to refrain from smoking.

### **SECTION 8 – VIOLATIONS AND PENALTIES**

A person who smokes anywhere where smoking is prohibited by this Smoking Ordinance, and who fails to comply with the provisions of this Smoking Ordinance, may be issued either a written warning or a written citation for violating this Smoking Ordinance. A written violation citation shall be subject to payment of a civil penalty in the amount of Seventy Five and No/100 Dollars (\$75.00). The aforesaid civil penalties and this Smoking Ordinance shall be enforced pursuant to Indiana Code § 34-28-5.

### **SECTION 9 – SIGNAGE**

Appropriate signage shall be posted by the IAA, informing the public of no smoking on any Airport Facility.

### **SECTION 10 – SMOKING CESSATION ASSISTANCE**

The Executive Director, or his/her designee, may take reasonable actions to develop and implement a smoking cessation assistance educational program, to include appropriate materials and incentives, and to seek available grants and other funding opportunities in support of such programs.

### **SECTION 11 – REPEAL**

Any ordinances (or parts thereof) that are inconsistent with the terms of this Smoking Ordinance (including, but not limited to, General Ordinance 6-2007), are hereby superseded, to the extent of any such inconsistency, for the period from and after the Effective Date (hereinafter defined).

**SECTION 12 – EFFECTIVE DATE**

Notwithstanding anything herein to the contrary, this Smoking Ordinance shall be effective from and after April 1, 2014 (the “Effective Date”).

**ADOPTED** on this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

**INDIANAPOLIS AIRPORT AUTHORITY**

By: \_\_\_\_\_  
Michael Wells, President

By: \_\_\_\_\_  
Alfred R. Bennett, Secretary

\*Signed under authority of IAA Board Resolution #6-2013



## BOARD MEMO – FEDERAL AND STATE GRANT AUTHORITY

To: IAA Board of Directors  
From: Robert B. Thomson, Sr. Director of Finance / Treasurer  
Date: January 17, 2014  
Board Date: February 21, 2014  
Subject: Federal and State Grant Authority to Executive Director

### **Background**

Resolution No. 1-2014 authorizes the Executive Director of the Indianapolis Airport Authority, Indianapolis, Indiana, or his designee, to apply for airport development assistance and to accept on behalf of the Indianapolis Airport Authority, any and all Offers that may be extended to it on or before December 31, 2014 by the Administrator of the Federal Aviation Administration (FAA), the Transportation Security Administration (TSA), or the Indiana Department of Transportation (INDOT).

There is no board paper applicable to this resolution. Federal and State agencies often allow a very short amount of time to respond/accept when extending Offers. This blanket resolution is a proactive measure taken by the Authority to ensure it will be able to respond in a timely manner to potential Offers extended by any of the governmental agencies included in this resolution. The board has approved similar blanket resolutions in previous years which have allowed the Authority to take advantage of funding sources it would otherwise not have had the opportunity to utilize.

### **Recommendation**

The IAA staff recommends that the Board approve Resolution No. 1-2014 granting the Executive Director, or his authorized representative, authorization to apply for, and accept, Offers extended to it by the FAA, TSA, or INDOT.

Consider for approval adoption of Resolution No. 1-2014 authorizing the Executive Director or his designee to apply for airport development assistance, accept, adopt and execute offers that are scheduled to expire on or before December 31, 2014 from the Administrator of the Federal Aviation Administration, the Transportation Security Administration, or the Indiana Department of Transportation constituting Agreement between the United States or the State of Indiana and the Indianapolis Airport Authority.

RESOLUTION NO. 1-2014

RESOLUTION AUTHORIZING THE EXECUTIVE DIRECTOR, OR HIS DESIGNEE, TO APPLY FOR, ACCEPT, ADOPT AND EXECUTE OFFER(S) THAT ARE SCHEDULED TO EXPIRE ON OR BEFORE DECEMBER 31, 2014, FROM THE ADMINISTRATOR OF THE FEDERAL AVIATION ADMINISTRATION, THE TRANSPORTATION SECURITY ADMINISTRATION, OR THE INDIANA DEPARTMENT OF TRANSPORTATION, CONSTITUTING GRANT AGREEMENT BETWEEN THE UNITED STATES OR THE STATE OF INDIANA AND INDIANAPOLIS AIRPORT AUTHORITY

INDIANAPOLIS, INDIANA

WHEREAS, the Administrator of the Federal Aviation Administration, the Transportation Security Administration, or the Indiana Department of Transportation, for and on behalf of the United States or State of Indiana, will extend to the Indianapolis Airport Authority, Indianapolis, Indiana, formal Offers pursuant to Applications of the Indianapolis Airport Authority, Indianapolis, Indiana, relating to the development of the Indianapolis International Airport or other Authority-owned facilities; and

WHEREAS, pursuant to, and for the purposes of carrying out, the provisions of Title 49 United States Code, it is necessary that said Grant Offers be duly and formally accepted by the Indianapolis Airport Authority, Indianapolis, Indiana; and

WHEREAS, such Offers, and such acceptance thereof, duly executed together, shall constitute the Grant Agreements between the Indianapolis Airport Authority, Indianapolis, Indiana, and the United States or the State of Indiana, relating to said airport development projects.

NOW, THEREFORE, upon consideration of said Offers and all of the terms, provisions, conditions, and exhibits therein and thereto, BE IT, AND IT IS HEREBY,

RESOLVED BY THE BOARD OF THE INDIANAPOLIS AIRPORT AUTHORITY, INDIANAPOLIS,  
INDIANA, AS FOLLOWS:

1. That the Executive Director of the Indianapolis Airport Authority, Indianapolis, Indiana, or his designee, is authorized to apply for airport development assistance, and accept on behalf of the Indianapolis Airport Authority, any and all Offers that may be extended to it on or before December 31, 2014, by the Administrator of the Federal Aviation Administration, the Transportation Security Administration, or the Indiana Department of Transportation, for and on behalf of the United States or the State of Indiana, to be duly executed in its name and for and on its behalf.
2. That Applications executed and submitted to the Federal Aviation Administration, the Transportation Security Administration, or the Indiana Department of Transportation by the Indianapolis Airport Authority, Indianapolis, Indiana, pursuant to this resolution relating to AIP and Other Projects, including all the statements, representations, warranties, covenants and agreements contained therein, be and the same are hereby ratified and adopted.
3. That to accomplish the foregoing, the Executive Director, or his designee, be and is hereby authorized and directed to execute for and on behalf of the Indianapolis Airport Authority, Indianapolis, Indiana, the said Acceptance of any and all Offers, and that the Treasurer, or his representative, be and is hereby authorized and directed to attest said execution and to impress thereon the Official Seal of the Indianapolis Airport Authority, Indianapolis, Indiana.

APPROVED this 21<sup>st</sup> day of February, 2014\*

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Michael W. Wells, President

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Alfred R. Bennett, Secretary

\*Signed under authority of IAA Board Resolution #6-2013.

CERTIFICATE

I, Alfred R. Bennett, the duly elected and qualified Secretary of the Indianapolis Airport Authority, Indianapolis, Indiana, do hereby certify that the foregoing and attached extract from the Minutes of the Meeting of the Board of the Indianapolis Airport Authority, Indianapolis, Indiana, held on February 21, 2014, is a true and correct copy of a Resolution duly adopted on said date and at said meeting; and that said Resolution in the foregoing form was duly entered of record in the original Minutes of the Proceedings of the Board of the Indianapolis Airport Authority, Indianapolis, Indiana, and is now in full force and effect.

WITNESS my hand and the Official Seal of the Indianapolis Airport Authority the 21<sup>st</sup> day of February 2014.

(SEAL)

\_\_\_\_\_  
Alfred R. Bennett, Secretary



## **BOARD MEMO - CMS SWAP EXTENSION**

To: IAA Board of Directors

From: Robert B. Thomson, Sr. Director of Finance / Treasurer

Date: February 14, 2014

Board Date: February 21, 2014

Subject: Resolution No. 2-2014 Authorizing, Extending or Amending Existing Swap Agreements

### **Background**

The Indianapolis Local Public Improvement Bond Bank ("Bond Bank") and Indianapolis Airport Authority ("Authority") previously entered into a swap agreement dated October 11, 2005, as amended and now effective with Raymond James Financial Products ("Raymond James"), successor in interest to Morgan Keegan, by reason of novation from UBS AG ("UBS") (the "CMS Swap"), in which, starting on July 1, 2008, the Authority would receive 75% of the 10-year LIBOR swap rate, less 0.437%, and pay 75% of the one-month LIBOR swap rate. At the point of novation from UBS to Raymond James, the agreement was between only the Authority and Raymond James (the Bond Bank is no longer party to this agreement).

The effect of the above-referenced CMS Swap was to modify the variable-rate receiver portion of one of the existing interest rate swaps in the Authority's debt portfolio, such that the Authority would receive a rate based on 10-year LIBOR instead of 1-month LIBOR.

On two prior occasions (February 14, 2008 and March 15, 2011), the Authority's Board, after analyzing and evaluating the situation, decided to defer the starting date of the CMS Swap in exchange for a payment of \$3.54 million and \$3.50 million, respectively.

### **Current Situation**

Since March 15, 2011, the market value of the CMS Swap has increased. As before, the Authority can, once again, monetize the value of potential future cash flows from the CMS Swap by deferring the start date thereof beyond July 1, 2015. If the Authority does not monetize the value today, the future cash flows from the CMS Swap, due to future uncertainties, may be greater than or less than the current value that the Authority can receive from executing this swap extension agreement, and may be negative (i.e. the Authority would have to pay the counterparty).

**Recommendation**

The recommendation (as supported by our outside consultant, Jeffries, in a memo dated February 13, 2014) is to extend the CMS Swap by 3 to 3.5 years so long as the Authority would receive at least a \$3 million payment in connection therewith.

Consider approving Resolution No. 2-2014 (Authorizing Entry into A Swap Agreement or Extending or Amending Existing Swap Agreements) for the purpose of deferring the start date of the CMS Swap and monetizing all or a portion of the current value thereof.

RESOLUTION NO. 2-2014  
OF THE  
INDIANAPOLIS AIRPORT AUTHORITY  
AUTHORIZING  
EXTENDING OR AMENDING EXISTING SWAP AGREEMENTS

Recitals

WHEREAS, the Authority is authorized by Indiana Code 8-9.5-9-5 (the "Swap Act") to enter into interest rate swap agreements to modify its interest rate risk with respect to all or a portion of its bonds (the "Bonds") and to amend, modify or terminate any such swap agreements; and

WHEREAS, by entering into one or more swap agreements, the Authority has been able to modify its net obligations for debt service payments and may, in time, reduce the amount of debt service payments to be made on the Bonds; and

WHEREAS, the Authority, together with The Indianapolis Local Public Improvement Bond Bank (the "Bond Bank"), previously entered into a swap agreement dated October 11, 2005, as amended and now effective with Raymond James Financial Products ("Raymond James"), successor in interest to Morgan Keegan, by reason of novation from UBS AG ("UBS") (the "Original Swap"), with respect to certain Bonds issued by the Authority and the Bond Bank, in order to provide for the payment and security of the Authority's obligations thereunder in accordance with its Master Bond Ordinance, General Ordinance No. 4-2002, as amended (the "Bond Ordinance"); and

WHEREAS, the Authority has previously modified the net effect of the Original Swap by executing new swap agreements on April 23, 2007, June 26, 2008 and March 15, 2011 (collectively, the "CMS Swap"), as amended and now effective with Raymond James to monetize a portion of the then positive market value of the CMS Swap; and

WHEREAS, the Authority desires to take advantage of current favorable market conditions to monetize all or a portion of the current positive market value of the CMS Swap; and

WHEREAS, the Authority desires to authorize and direct its officers and staff to amend the CMS Swap or to enter into a new swap agreement which would effectively amend the Swap to monetize all or a portion of the current positive market value of the CMS Swap.

NOW, THEREFORE, THE INDIANAPOLIS AIRPORT AUTHORITY RESOLVES THAT:

Section 1. The Authority approves entering into an amendment or modification of the documents related to the CMS Swap (or entering into a new interest rate swap that accomplishes the same purposes) pursuant to a new Confirmation under an existing swap document or under a new Master Agreement and Schedule between the Authority and Raymond James in substantially the form of the existing documents (in either case, the "New Agreements"), subject to the further provisions of this Resolution, and authorizes the President, the Vice President, the Treasurer or the Secretary of the Authority to approve the final provisions of, and to enter into, for and on behalf of the Authority, the New Agreements. Approval of the final provisions of the New Agreements shall be conclusively evidenced by execution of the New Agreements. The New Agreements shall terminate not later than 2033, the aggregate amount of bonds related thereto shall not exceed \$100,000,000, and the Authority shall receive at least \$3,000,000 in consideration of the execution of the New Agreements.

The New Agreements shall be in the International Swap Dealers Association form, as supplemented and amended to accommodate the terms and conditions of (a) the Bonds, (b) the Bond Ordinance, and (c) this Resolution.

In adopting this Resolution, the Authority finds and determines that:

(i) the New Agreements will constitute a "swap agreement" within the meaning of Indiana Code 8-9.5-9-4;

(ii) the New Agreements are necessary or desirable in connection with or incidental to the issuance, carrying or securing of the Bonds;

(iii) the New Agreements are with Raymond James .

Section 2. The President, the Vice President, the Treasurer or the Secretary of the Authority is authorized and directed to execute and deliver the New Agreements in substantially the forms approved by this Resolution, with such changes in form or substance as the officers executing the same shall approve, such approval to be conclusively evidenced by the execution of the same. The President, the Vice President, the Treasurer or the Secretary is authorized to terminate the New Agreements as provided therein.

Section 3. The Treasurer of the Authority is authorized and directed to pay or cause to be paid the reasonable fees and expenses incurred by the Authority in connection with the transactions contemplated by this Resolution from money lawfully available to the Authority or to fund such expenses by agreement with Raymond James.

Section 4. The President, the Vice President, the Secretary and the Treasurer of the Authority are, and each of them is, authorized and directed to do and perform all acts and to execute in the name of the Authority all such instruments, documents,

papers or certificates which are necessary, desirable or appropriate to carry out the transactions contemplated by this Resolution and the New Agreements, in such forms as the President, the Vice President, the Secretary or the Treasurer executing the same shall determine to be proper, which determination shall be conclusively evidenced by the execution of the same.

Section 5. If any provision of this Resolution shall be held or deemed to be or shall be, in fact, illegal, inoperative or unenforceable, the same shall not affect any other provision of this Resolution or render any other provision of this Resolution illegal, inoperative or unenforceable to any extent whatsoever.

Section 6. This Resolution shall be in full force and effect immediately upon its adoption by the Authority.

Adopted by the Board on February 21<sup>st</sup>, 2014.

INDIANAPOLIS AIRPORT AUTHORITY\*

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Michael W. Wells, President

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Alfred R. Bennett, Secretary

\*Signed under authority provided in IAA Board Resolution 6-2013.

IAA Board Meeting  
General Agenda  
February 21, 2014

General:

- BP2014-02-1** Consider for approval the Professional Services Agreement with Rain Street Advisors, LLC to provide the Authority assistance as a transaction advisor to the IAA's request for proposals dealing with domestic water, wastewater and deicing fluids management
- BP2014-02-2** Consider for approval the Indianapolis Maintenance Center Management and Operation Agreement with Johnson Melloh Solutions, Inc. The Agreement provides for the maintenance and operation of the Authority's assets located at the Indianapolis Maintenance Center, Building #174 for a primary term of ten years with one, five year option term
- BP2014-02-3** Consider for approval the Land Lease on Airport with the United States of America acting on behalf of the Department of Transportation / Federal Aviation Administration for the continued leasing of land and associated improvements. The new lease term is for five (5) years commencing retroactive to October 1, 2013 and terminating September 30, 2018
- BP2014-02-4** Consider for approval the assignment of three concession agreements from AREAS USA IND LLC, to OHM CONCESSION GROUP LLC, as well as a five year term extension for each agreement, and also delegate signing authority to the Executive Director and the General Counsel so that the necessary documents may be signed on the actual date of closing of these transactions (currently scheduled for February 28, 2014)
- BP2014-02-5** Consider for approval the Parking Access Revenue Control System Support and Maintenance Contract in an amount not-to-exceed \$701,902.44 MBE 0.0%, WBE 100.00% (Evens Time, Inc.), and 0% VBE

Capital Program:

- BP2014-02-6** Consider for approval Plans and Specifications for Project # I-14-001, Rehabilitate Taxiway D at Indianapolis International Airport, as prepared by Butler, Fairman and Seufert, Inc., and authorize the public bidding process



## BOARD MEMO – CONTRACT AGREEMENT

To: IAA Board of Directors

From: Robert Duncan, Executive Director

Date: February 6, 2014

Board Date: February 21, 2014

Subject: Approval of Contract with Rain Street Advisors, LLC (Rain Street)

### Background

The IAA recognizes that the technologies and capabilities of service companies involved in the areas of domestic water, wastewater and deicing fluids management infrastructure is evolving at a rapid pace as government entities responsible for these systems look for new efficient, cost-effective ways to address them. Alternative ideas that reduce the annual amount of outflow from the Airport are part of the evaluation by the IAA of the stormwater and deicing system. These new technologies and capabilities can deliver solutions to the IAA that are efficient, sustainable and financially viable.

IAA Staff and consultancy have identified at least three components within the stormwater and deicing systems that it believes can be improved by partnering with innovative private sector companies with commitments to sustainability, efficient operations and strong financial results:

1. Capital assets – The system of stormwater and deicing retention, piping and discharge on the airport that supports both aviation operations and functions at the terminal and aprons, and the development sectors of the airport that are tied into the IAA on-Airport system.
2. Annual operating expenses, including maintenance and repairs – The IAA incurs annual operating costs for permitting and compliance, sewer discharge, personnel time and routine equipment/facility maintenance, and repair and replacement as part of the Airport operation. The annual Airport operating expenses are based on the current model of stormwater and deicing collection and discharge.
3. Funding for additional capital projects for the stormwater and deicing systems needed to support growth by the Airport’s commercial and development sectors.

### Scope

Rain Street will report to, and act under the direction of, the IAA’s Director of Commercial Enterprises, or her designee, in providing the professional services required under the Agreement. Specifically, Rain Street agrees to serve as a “transaction advisor”

to the IAA in connection with a possible sale, lease or other transaction involving the IAA's existing storm water and/or wastewater assets located at the Indianapolis International Airport, and to otherwise deliver the professional services more particularly described below:

- (1) Provide general advice, guidance and assistance to IAA in connection with all aspects of a potential transaction;
- (2) Assist IAA in the development of strategic, financial and other objectives for a potential transaction;
- (3) Assist IAA in the development of pertinent materials, including, but not limited to, request for proposals, quotes, invitation to bidders, letters or correspondence, summaries, memoranda, and other communications;
- (4) Assist IAA in analyzing and evaluating proposals, bids, quotes, or other suggestions or materials in connection with a potential transaction, which may include the preparation of a written report;
- (5) Identify potential parties who are qualified and capable of consummating a potential transaction;
- (6) Review, analyze and evaluate financial information and proposals;
- (7) Evaluate, suggest and analyze potential structures for potential transaction, including risks and benefits to the IAA;
- (8) Assess the financial viability and/or feasibility of various structures for a potential transaction;
- (9) Assist IAA in negotiations pertaining to a potential transaction;
- (10) Provide other assistance to IAA, as reasonably requested.

**Schedule (overall subject matter)**

February 21, 2014:	IAA Board execution of the Professional Services Agreement with Rain Street Advisor, LLC
February 21, 2014:	Publish Request for Expressions of Interest (REI) document including sending to broad list of recipients.
March 21, 2014:	IND site visit opportunity made available to entire Responder Group.
April 18, 2014:	Submittal date for Responders    Response to REI due to IAA

- April 21<sup>st</sup> to April 25<sup>th</sup>: Review of Responses and Request for Proposals (RFP) determination.
- May 2, 2014: Issuance of RFP for further request (more specific) of proposals to a narrower group who have been "qualified" through the REI process.
- June 6, 2014: RFP responses due to IAA.
- June 9<sup>th</sup> to June 20<sup>th</sup>: Review and analysis of responses to RFP. Selection of two to three responders for negotiations.
- June 26<sup>th</sup> to June 27<sup>th</sup>: Interview and negotiate with finalists. Selection of finalist and proceed to contracting.
- July 11, 2014: Complete Contract negotiation.
- July 18, 2014: IAA Board execution of Contract with finalist.

### **Revenue and/or Operating Cost Implications**

For the services provided under the Agreement, IAA agrees to pay Rain Street for the following:

- (1) Expenses incurred, as permitted and/or authorized including travel and lodging as authorized in advance, in writing, by IAA. Entertainment and living expenses will not be a reimbursable.
- (2) An engagement fee of Ten Thousand and No/100 Dollars (\$10,000) upon execution of the Agreement by both Parties, which, in the event that a potential transaction is ultimately consummated will be credited against any transaction fee due to Rain Street;
- (3) A transaction fee equal to one percent (1%) of the "transaction value", as determined reasonably and in good faith by IAA and Rain Street after the financial aspects and structure of a final transaction are known by the IAA and Rain Street. IAA will not be obligated to pay the transaction fee unless a final transaction is consummated;
- (4) If IAA issues a request for proposals for a potential transaction and, after receiving acceptable proposals from duly qualified and capable entities, elects, in its

discretion, to terminate the transaction process, then, in such event, IAA will pay a fee of \$50,000 to Rain Street.

**Supplier Diversity**

Specific to this Professional Services Agreement, there will be no diversity participation; however, and yet to be determined, through the RFP process, M/W/VBE participation will be a goal of the potential transaction.

**Recommendation**

The IAA staff recommends that the Board consider for approval the Professional Services Agreement with Rain Street Advisors, LLC to provide the Authority assistance as a transaction advisor to the IAA's request for proposals dealing with domestic water, wastewater and deicing fluids management.



## BOARD MEMO – CONTRACT AGREEMENT

To: IAA Board of Directors

From: Robert Duncan, Executive Director

Date: February 4, 2014

Board Date: February 21, 2014

Subject: IMC Facility Management and Operation Agreement

### Background

This Board Memo is brought forward to seek approval and request the execution of the Indianapolis Maintenance Center (IMC) Management and Operation Agreement. This request is the culmination of a Request for Proposal (RFP) process.

IAA Staff issued a Request for Proposal (RFP) for the maintenance and operation of the IMC on November 20, 2013. The deadline for responses was January 6, 2014. A total of five (5) responses were received by IAA Staff.

The respondents were:

- CH2M Hill (current service provider) Home Office: Colorado
- Johnson Melloh Solutions Home Office: Indianapolis
- Maintech Acquisition, LLC Home Office: New York
- DTM Real Estate Services, LLC Home Office: Indianapolis
- GRM Facilities Management Home Office: New Jersey

An IAA Staff Review Committee was formed to review and score the responses. The Review Committee consisted of the following IAA Staff members: Doreen Cherry and Courtney Kasper (Procurement), Eric Anderson, Joe Bennici, Guy Magana and Bob Baraso (Property), Joe Heerens and Trisha Sqrow (Legal), Joe Miller (IT), Shannetta Griffin (Engineering) and Holli Harrington (Supplier Diversity). The following represents the weighted scoring approach the Review Committee applied in evaluating the five (5) responses:

<u>Subject</u>	<u>Points</u>
Transmittal Letter & Proposal Format/Presentation	5
Business Proposal	20
Technical Proposal	15
Price for Requested Services	15
Financial Strength	10
Supplier Diversity Participation	10
Adherence to Required & Preferred Qualifications	20
<u>References</u>	<u>5</u>
Total	100

Of the five (5) respondents, CH2M Hill, Johnson Melloh Solutions and Maintech Acquisition were selected to be interviewed and a re-scoring of these three (3) entities occurred with a recommendation from the Committee of entering into contract discussions with Johnson Melloh Solutions (JM).

JM, an Indianapolis company and in business since 1976, specializes in the installation and maintenance of large-scale mechanical equipment including boilers, chillers, pumps, pipes and related electronics and controls for the purpose of campus-wide energy and facilities management. Previous and current clients include: Butler University, Wellpoint, Chase Tower, Indiana State Fair and IU Health. Most importantly, JM was selected as the maintenance operator of the IAA's Central Energy Plant (CEP) in late 2012 and results of the 2013 calendar year show a management fee savings of \$412K, utility savings in excess of \$311K and operational savings of \$344K, totaling over \$1M in operating savings at the CEP. It became evident through the overall Committee evaluation that JM was being the most creative and innovative entity in its approach to operating the IMC, including cost structure, labor allocation, customer service to tenants and cooperation with the IAA goals and objectives.

#### **Operating Expense Actuals & Estimates**

The current service provider of the IMC had a 2013 actual spend of \$1,555,260 and a 2014 budget of approximately \$1.6M which is made up of 100% labor, benefits and company profit.

Comparatively, JM has proposed to operate the IMC in similar fashion to the IAA's CEP regarding on-site labor with an agreed dollar amount of \$1.3M (labor, benefits and company profit), an annual savings of \$300K. Further savings will be realized through rebidding of sub-contracting work, supply & materials procurement savings and energy consumption savings. JM believes a full year calendar savings can be realized in excess of \$550K including spreading management costs between the IMC and the CEP rather than having two separate management structures. IAA Staff will partner with JM to ensure these dollar savings are achieved.

The term of the Service Agreement will be for a period of ten years with one five-year option term. The IAA will have the ability to terminate the Agreement initially upon a one year notice to JM. This time frame (upon JM achieving annual KPI subjects) will be extended annually in exchange for the IAA not having to provide any type of financial incentive/award to JM when cost savings are achieved.

#### **Schedule**

- Nov 20, 2013: Request for Proposals issued to public.
- Jan 6, 2014: Deadline for Responses to RFP. A total of five (5) responses were received.
- Jan 13, 2014: Preliminary scoring of the five (5) Responses. Top three (3) selected for interviews.

- Jan 21, 2014: Interviews with top three (3) Respondents.
- Jan 30, 2014: Committee re-scoring of top three (3) Respondents. JM rated highest.
- Feb 6, 2014: Commence creation of Service Agreement and negotiate with JM.
- Feb 21, 2014: Full execution of Service Agreement.  
CH2M Hill to be notified of thirty day notice effective March 1<sup>st</sup>.
- Feb 24, 2014: Transition of IMC commences including employee interviews.
- Apr 1, 2014: First day of IMC operation by JM.

### **Supplier Diversity Participation**

Per the terms of the RFP, the Service Agreement goals are 18% MBE, 5% WBE and 3% VBE participation. JM has agreed to meet and exceed all three goals established by the IAA separately or in the aggregate for this subject. Holli Harington, Supplier Diversity Director has been engaged throughout the agreement negotiation pertaining to M/W/VBE participation.

It should be noted JM has partnered with the MBE firm Scott Hilliard Kosene (SHK) to manage procurement of supplies and materials as well as bidding of any sub-contracting work to grow XBE percentages in the use of labor at the IMC.

### **Recommendation**

Recommend for approval the Indianapolis Maintenance Center Management and Operation Agreement with Johnson Melloh Solutions, Inc. The Agreement provides for the maintenance and operation of the Authority's assets located at the Indianapolis Maintenance Center, Building #174 for a primary term of ten years with one, five year option term.



## **BOARD MEMO – LAND LEASE ON AIRPORT**

To: IAA Board of Directors

From: Robert Duncan, Executive Director

Date: January 29, 2014

Board Date: February 21, 2014

Subject: Land Lease on Airport with United States of America acting on behalf of the U.S. Department of Transportation / Federal Aviation Administration

### **Background**

The United States of America (U.S.A.) acting on behalf of the U.S. Department of Transportation / Federal Aviation Administration, leases 37,307 square feet of land which contains a parking lot and storage facility. The parking lot and storage facility are adjacent to the Air Route Traffic Control Center (ARTCC) and are mainly used to house equipment and supplies to support the Federal Aviation Administration's runway approach equipment.

The Authority and U.S.A. entered into a Land Lease beginning in 1977 and as amended, the lease expired by its own terms on September 30, 2013. Authority staff is proposing a new lease term of five (5) years, which contains a provision to remove a portion of the parking lot from the premises to accommodate potential future Airport development in this area. The new lease is retroactive to October 1, 2013, as negotiations to add the aforementioned provision to the lease took a considerable amount of time for the U.S.A. to approve.

### **Scope**

To execute a new Lease for Real Property with the U.S.A. The lease shall be effective retroactive to October 1, 2013 and will terminate September 30, 2018.

### **Schedule**

February 21, 2014: Execution of a Land Lease on Airport with United States of America acting on behalf of the Department of Transportation / Federal Aviation Administration.

### **Revenue and/or Operating Cost Implications**

#### **Revenue:**

Annual net revenue will be \$12,311.31 with annual increases throughout the term.

#### **Operating Costs:**

There are no operating costs associated with this lease.

### **Supplier Diversity Participation**

Not applicable.

**Recommendation**

The IAA staff recommends that the Board consider for approval the Land Lease on Airport with the United States of America acting on behalf of the Department of Transportation / Federal Aviation Administration for the continued leasing of land and associated improvements. The new lease term is for five (5) years commencing retroactive to October 1, 2013 and terminating September 30, 2018.



## **BOARD MEMO – CONCESSION AGREEMENT**

To: IAA Board of Directors  
From: Marsha Stone, Sr. Director Commercial Enterprise  
Date: January 29, 2014  
Board Date: February 21, 2014  
Subject: Concession Agreement Assignments

### **Background**

Areas USA, an existing concessionaire operating eight food and beverage units, has been seeking ways to improve the financial position of their operation at IND. In 2012, they requested MAG (Minimum Annual Guarantee) reductions for all eight of their agreements. This request was not approved however the board did allow for the term of these agreements to be extended by five years (now expiring in 2020). Previously, in June of 2010, Areas USA was allowed to implement “street plus 10%” pricing at their post-security locations. Re-branding of under-performing units became the next area of consideration.

The three under-performing units selected by Areas USA were the two Cold Stone Creameries and the Giorgio’s pizza location. These three units have had poor sales performance since opening and have been a financial burden for Areas USA with average rents ranging from 39% of sales (Giorgio’s) to 64% of sales (Cold Stone Creameries). Areas USA does not wish to invest additional capital into these units since they have not recouped much of their initial \$5.7 million investment at IND. Areas USA began looking for a business partner who would make the investment and/or assume the agreements.

### **Scope**

Areas USA has structured an arrangement with a third party, OHM Concession Group, regarding the three units mentioned above. OHM will assume the three agreements and re-brand the units with concepts that should perform more profitably. OHM is committing to invest \$1.2 million to assume and re-brand the three units. To make this arrangement financially viable, OHM is asking for a five year term extension on the three agreements.

Additionally, OHM will provide performance guarantee bonds equivalent to 200% of the MAGs for the first three years as opposed to 125% of the MAGs as required by the concession agreement.

Areas USA is also being held "jointly bound" as Concessionaire for the first two years of the assignment.

OHM operates 14 food & beverage units in two major airports; St. Louis Lambert (STL) and Baltimore Washington (BWI), with additional units opening this year at Los Angeles (LAX) and Orlando (MCO). OHM is an MBE and ACDBE operator (certified in 17 states) who will apply for certification within Indiana as well. OHM has thirteen years of airport food & beverage experience and generates \$25 million in annual revenue.

The proposed new concepts are:

- Chick-fil-A (replaces Giorgio's in Civic Plaza)
- Freshens (replaces Cold Stone Creamery on Concourse "A")
- Corona Beach House (replaces Cold Stone Creamery on Concourse "B")

Financials:

The chart below compares the first year forecast revenues of the three new concepts to the four-year average of the existing concepts. The existing concepts have never generated percentage revenue above the minimum annual guarantee (MAG). The anticipated higher sales will also generate additional revenues in the form of common use fees (CUF).

REVENUE COMPARISON						
CONCEPT	SALES*	MAG	% RENT	CUF	TOTAL REV TO AUTHORITY	FORECAST REVENUE IMPRVMT
Giorgio's	\$415,565	\$145,000	\$0	\$12,467	\$157,467	36%
<b>Chick-fil-A</b>	\$1,300,000	\$145,000	\$30,500	\$39,000	<b>\$214,500</b>	
Cold Stone "A"	\$120,445	\$75,000	\$0	\$3,613	\$78,613	9%
<b>Freshens</b>	\$360,000	\$75,000	\$0	\$10,800	<b>\$85,800</b>	
Cold Stone "B"	\$135,352	\$75,000	\$0	\$4,061	\$79,061	37%
<b>Corona Beach House</b>	\$600,000	\$75,000	\$15,000	\$18,000	<b>\$108,000</b>	

\*Existing concepts' sales reflects average sales from 2009-2012. Proposed concepts; OHM'S first year pro forma sales forecast.

### Budget

OHM Concession Group will pay the Authority a minimum of \$295,000/year (MAGs) for the three agreements; the same MAG under the current Areas USA agreements. In addition, the agreements require percentage rent and CUFs which could result in additional revenue above current/historic performance.

### Schedule

The current term of these three agreements expiring December 31, 2020 will be extended five years (through December 31, 2025).

Based on the length of time needed for review and approval of engineered drawings, construction could begin as early as late March with the new units opening between mid-June to mid-July. Construction will be concurrent on the three locations with staggered openings when each unit is complete.

**Diversity Participation**

100%. The new operator, OHM Concession Group, is an MBE that is also certified as ACDBE in 17 states. They are applying for certification in Indiana as well. The existing status with Areas USA has 0% participation.

**Recommendation**

The IAA staff recommends that the Board consider for approval the assignment of the following three concession agreements from Areas USA IND, LLC to OHM Concession Group as well as a five (5) year term extension for each agreement.

- Areas USA IND, LLC operating as Giorgio's
- Areas USA IND, LLC operating as Cold Stone Creamery (Concourse "A")
- Areas USA IND, LLC operating as Cold Stone Creamery (Concourse "B")

Additionally, it is requested that the Board delegate signing authority to the executive director and general counsel so that the necessary documents may be signed on the date that the transaction between Areas USA and OHM Concession Group closes, which is set for February 28, 2014.



## **BOARD MEMO – PROJECT AUTHORIZATION**

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: February 3, 2014

Board Date: February 21, 2014

Subject: Parking Access Revenue Control System (PARCS) Support and Maintenance Contract

### **Background**

The Indianapolis Airport Authority (IAA) implemented the Amano McGann parking system in 2008 with the construction of the new Terminal. The system consists of over 100 interconnected devices including cashier computers, pay on foot kiosks, ticket dispensers, space availability signs, and servers all supported by centralized software. The system currently processes in excess of 800,000 transactions and \$40,000,000 in revenue annually. Since the system's implementation the IAA has been engaged with the local Amano McGann authorized support vendor, Evens Time, for maintenance, support, and system upgrades.

This project was approved for board presentation by Senior Staff on February 3, 2014.

### **Scope**

The scope for this contract covers the support and maintenance for the Amano McGann iPARCS software and associated parking gates, kiosks, ticket dispensers and other PARCS system equipment. The contract also provides for a single Evens Time resource to be onsite 40 hours per week to ensure system uptime and stability, provide and install system updates, training to IAA staff, and to provide onsite repairs and preventative maintenance to physical equipment.

### **Budget**

The contract has a recurring monthly fee of \$18,967.51 for an annualized support cost of \$227,610.12. There are additional support items, added as part of the 2013 upgrades, which will be added to the contract as they come off of their 1 year warranty period. The schedule for the first 3 years is listed below, with a total contract not to exceed amount of \$701,902.44.

Expected Annual Cost  
2014 – \$213,179.44  
2015 – \$244,361.50  
2016 – \$244,361.50

**Schedule**

The term of this contract begins March 1, 2014 and runs through December 31, 2016. The contract has 2 renewal options of 1 year each for a total of a 5 year contract.

**Supplier Diversity Participation**

The Director of Supplier Diversity has approved the following:

FIRM	AMOUNT			%		
	MBE	WBE	VBE	MBE	WBE	VBE
Evens Time, Inc.	\$0	\$701,902	\$0	0.0	100.00	0.0
<b>Totals</b>	<b>\$0</b>	<b>\$701,902</b>	<b>\$0</b>	<b>00.00</b>	<b>100.00</b>	<b>00.00</b>

**Recommendation**

The IAA staff has reviewed the proposal and recommends that the Board consider for approval the Parking Access Revenue Control System Support and Maintenance Contract in an amount not-to-exceed \$701,902.44 MBE 0.0%, WBE 100.00% (Evens Time, Inc.), and 0% VBE.



## **BOARD MEMO – PLANS & SPECIFICATIONS APPROVAL**

To: IAA Board of Directors

From: Shannetta Griffin, P.E., Sr. Director of Planning & Development

Date: January 23, 2014

Board Date: February 21, 2014

Subject: Approval of Plans and Specifications for Project # I-14-001, Rehabilitate Taxiway D at Indianapolis International Airport, and Authorize the Public Bidding Process

### **Background**

Taxiway D at Indianapolis International Airport (IND) was constructed in 1989 and rehabilitated in 2003. Localized rehabilitation of Taxiway D was performed in 2013 between Runway 14-32 and Taxiway D-1. The 2013 work was performed as a part of Rehabilitate Runway 5R-23L and Taxiway N project in anticipation of Taxiway D work in 2014. The results of a 2012 IND Airfield Pavement Evaluation and Management Plan indicated rehabilitation is needed in localized areas on the taxiway. This project will complete pavement rehabilitation work on the runway and taxiways (which was started in 2013 with the Rehabilitate Runway 5R-23L and Taxiway N work) used most often by FedEx to extend the useful life of the pavements that are 20+ years old.

This project was approved for implementation by the Senior Management Team on August 26, 2013. Originally presented as part of a larger, single project for both Taxiways A & D in the approved 2013 Capital Improvement Program (CIP), this project was extracted as a standalone project for purposes of operational coordination. Executing this project as a standalone will provide the IAA staff more control over construction activities to minimize impacts on tenants.

### **Scope**

The scope of work includes crack repair, joint sealing and slab replacement for concrete pavements in Taxiway D at IND as shown on the attached exhibit. Also included is the milling and paving of the asphalt shoulders along Taxiway D up to the hold short lines for Runway 5R-23L.

### **Budget**

The construction package is estimated between \$1,000,000 and \$5,000,000. The range is established per Federal Acquisition Regulation Subpart 36.2.

This project is included in the approved 2014 Capital Budget and funding for this project is anticipated to be 75% Airport Improvement Program (AIP) grant funding from the Federal Aviation Administration (FAA) and 25% airport cash funded.

This project is being undertaken to rehabilitate existing infrastructure that is integral to the continued safe operation of the airport. As a result of the critical nature of the rehabilitation and the anticipated grant funding, this project is exempt under the Authority's hurdle rate policy and has not been subjected to an internal rate of return calculation.

### **Schedule**

Advertisement of Opportunity to Bid: March 4, 2014 and March 11, 2014  
Pre-Bid Meeting: March 13, 2014 3:00 pm EDT Building 60, Conference Room 1  
Bid Opening: April 3, 2014 9:00 am EDT Building 60, Conference Room 1

Est. Bid Award (Board Meeting) April 18, 2014

Contract award anticipated April 2014 and the substantial completion date is expected to be July 2014.

### **Supplier Diversity Participation**

The Director of Supplier Diversity established the following participation goals:  
DBE 14%, MBE 20%, WBE 10%, and VBE 3%

### **Recommendation**

The IAA staff recommends that the Board consider for approval Plans and Specifications for Project # I-14-001, Rehabilitate Taxiway D at Indianapolis International Airport, as prepared by Butler, Fairman and Seufert, Inc., and authorize the public bidding process.

