



Indianapolis Airport Authority

Agenda Indianapolis Airport Authority September 20, 2019 8:00 AM

- I. **Call to Order**
- II. **Approval of Minutes of the IAA Board's Regular Meeting of August 16, 2019.**
- III. **Ordinances, Resolutions and Public Hearings**
 - a) **Introduction of Bond Ordinance, General Ordinance No. 05-2019**, concerning the Indianapolis Airport Authority's issuance of one or more series of additional revenue bonds designated "Indianapolis Airport Authority Refunding Revenue Bonds" to refund a portion of the Authority's outstanding revenue bonds and/or to remarket one or more series, and to fund other projects planned for debt financing in IAA's approved capital budget, as more particularly described in said BP2018-09-01.
 - b) **Consider, for approval and adoption, Resolution No. 11-2019**, the Third Amendment to Lease Agreement with Schenker, Inc. for the expansion of their Leased Premises of an additional 3,843 square feet as more particularly described in BP2019-09-02.
 - c) **Public Hearing on BP2019-09-03**, regarding a certain Real Estate Sale Agreement with Pace Property Holding LLC, for the sale of approximately 48.092 acres of land located along the east side of Hendricks County Road 1050 East, about one-quarter mile south of US Highway 40 in Plainfield, Indiana, for a total sale amount of \$2,212,232 as more particularly described in said BP2019-09-03.
 - d) **Consider, for approval, BP2019-09-03**, regarding a certain Real Estate Sale Agreement with the Pace Property Holding LLC, for the sale of approximately 48.092 acres of land located along the east side of Hendricks County Road 1050 East, about one-quarter mile south of US Highway 40 in Plainfield, Indiana, for a total sale amount of \$2,212,232 and authorizing IAA Staff to consummate sale transaction.
- IV. **Board Reports**
 - a) Board President's Report
- V. **Official Actions**

Consider, for approval, the individual items on the IAA General Agenda, dated September 20, 2019.

VI. Staff Reports

a) Executive Director's Report

- i. IAA/Fed Ex Update – Jarod Klaas
- ii. Air Service Development/Concessionaire's Update – Marsha Stone
- iii. Indianapolis Art's Council Update – Bill Stinson

VII. Other Reports/Update

- a) Board Communications** *Next Meeting: Friday, October 18, 2019 @ 8:00 a.m.*

MINUTES
Board of Directors Meeting
Indianapolis Airport Authority

The Regular Meeting of the Indianapolis Airport Authority (IAA) Board was called to order at 8:03 a.m., on August 16, 2019, in the Airport's Board Conference Room at Indianapolis International Airport.

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

Barbara Glass, President
Mamon Powers, Secretary
Kurt Schleiter, Member
Toby McClamroch, Member
Kathy Davis, Member
Brett Voorhies, Member
Ryan Goodwin, Member
Brian Tuohy, IAA Board Counsel

IAA Executive Staff attending:

Mario Rodriguez, Executive Director
Keith Berlen, Sr. Director of Operations and Public Safety
Marsha Stone, Sr. Director of Commercial Enterprise
Robert Thomson, Sr. Director of Finance
Jarod Klaas, Sr. Director, Engineering, Planning & Development
Lisa Bierman, Sr. Executive Assistant
Maria Wiley, Sr. Director of Audit, Compliance & Procurement
Reid Goldsmith, Sr. Director of Information Technology
Rachel Stevens, Sr. Director of Human Resources
Bill Stinson, Sr. Director of Public Affairs
Tenley Drescher-Rhoades, General Counsel

APPROVAL OF MINUTES

Upon a motion by Mr. McClamroch, seconded by Mr. Powers and unanimously passed, approval was given to the Meeting Minutes of the IAA Board Meeting of July 19, 2019.

ORDINANCES, RESOLUTIONS AND PUBLIC HEARING

President Glass introduced Mr. Robert Thompson, Sr. Director of Finance, who described General Ordinance No. 4-2019, the Indianapolis Airport Authority's 2020 budget, as more particularly described in BP2019-08-01. Next, President Glass opened a Public Hearing regarding General Ordinance No. 04-2019. There being no comments or discussion from the public, the hearing was closed. Upon a motion by Mr. McClamroch and seconded by Ms. Davis and unanimously passed approval was given to General Ordinance No. 4-2019.

BOARD REPORTS

President Glass introduced newly appointed Indianapolis Airport Authority Board Member, Mr. Ryan Goodwin. Mr. Goodwin is the Chairman of the Morgan County Board of Commissioners. Mr. Goodwin was appointed to the IAA Board by the Morgan County Commissioners on August 5, 2019 after Mr. Lynn Gordon announced his resignation after nearly 15 years of service as a member of the Indianapolis Airport Authority Board. Ryan Goodwin has a solid background in both private and public sector service. Goodwin was first elected to the Mooresville Town Council in 2007. From 2011 through 2016, he served on the Morgan County Council, serving as president of the council in 2015 and 2016. Goodwin was elected County Commissioner.

OFFICIAL ACTIONS

INTRODUCTION AND APPROVAL OF THE INDIANAPOLIS AIRPORT AUTHORITY'S GENERAL AGENDA DATED August 16, 2019: President Glass introduced and then verbally described each of the individual items listed on the General Agenda. Following a brief discussion of each listed item, President Glass asked for separate motions of approval. The following actions were then taken by the IAA Board:

BP2019-08-02. Upon a motion by Mr. Voorhies, seconded by Mr. Schleiter and unanimously passed, approval was given to BP2019-08-02.

BP2019-08-03. Upon a motion by Ms. Davis, seconded by Mr. Voorhies and passed, approval was given to BP2019-08-03.

BP2019-08-04. Upon a motion by Mr. McClamroch, seconded by Ms. Davis and unanimously passed, approval was given to BP2019-08-04.

BP2019-08-05. Upon a motion by Mr. McClamroch, seconded by Ms. Davis and unanimously passed, approval was given to BP2019-08-05.

STAFF REPORTS

Executive Director's Report

Mr. Rodriguez announced that Indianapolis International Airport was named in the 2018 Top 10 Best Domestic Airports by Travel + Leisure World's Best Award.

Next, Mr. Rodriguez announced the IAA received the 2019 Civil Rights Advocate and Partner Award from the Federal Aviation Administration (FAA).

Mr. Rodriguez announced and gave recognition to Mr. Todd Walker, Assistant Terminal Services Manager, who was awarded the Hoosier Hospitality Award by the Indiana Office of Tourism Development.

Next, Mr. Rodriguez introduced the 2019 2nd Quarter IAA Core Value Winners. The honored recipients are Kevin Forbes, Engineering, Core Value of Excellence; Christina Leister, Finance, Unsung Hero; Jesus Escobar, Parking, Customer Service Excellence; Michael Finch, Terminal Services, Customer Service Excellence; Donna Trakimas, Guest Services, Customer Service Excellence; and Todd Walker, Terminal Services, Leadership Excellence.

Next, Mr. Bill Stinson, Sr. Director of IAA Public Affairs, Communications and Marketing Department acknowledged Republic Airways 45th anniversary on August 1st, 2019. Republic Airways is headquartered in Indianapolis and employs 6,000 professionals. The IAA would like to congratulate Republic Airways on their 45th anniversary.

Next, Mr. Stinson briefly spoke about the St. Vincent Flyaway 5K event and introduced Ms. Nancy Frick, Vice President of Development, who thanked the airport for partnering with the organization to help raise money for cancer patients. The St. Vincent Flyaway 5K will take place on September 14, 2019 at 8 a.m. beginning at the Republic Airways Hangar at the Indianapolis International Airport.

Next, Mr. Kent Ebbing, Foreign Trade Zone General Manager, gave a brief presentation and update regarding the Greater Indianapolis Foreign Trade Zone (GIFTZ).

Other Reports/Updates

No other reports or updates.

ADJOURNMENT

President Glass announced that the next IAA Board meeting is scheduled for September 20, 2019. There being no further business, the meeting was adjourned at 8:20 a.m.

INDIANAPOLIS AIRPORT AUTHORITY *

By: _____
Barbara Glass, President

By: _____
Mamon Powers III, Secretary

DATED: _____

* Signed under authority of IAA Board Resolution #13-2017



Board Memo – Introduction of Bond Ordinance

To: IAA Board of Directors

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

Date: August 30, 2019

Board Date: September 20, 2019

Subject: Introduction of General Ordinance No. 05-2019

The Indianapolis Airport Authority is hereby introducing General Ordinance No. 05-2019 ("Ordinance").

General Ordinance No. 05-2019 is a supplement to the IAA's Master Bond Ordinance (5-2014) of the Indianapolis Airport Authority concerning the Authority's issuance of one or more series of additional revenue bonds designated "Indianapolis Airport Authority Refunding Revenue Bonds" to refund a portion of the Authority's outstanding revenue bonds and/or to remarket one or more series, and to fund other projects planned for debt financing in IAA's approved capital budget. IAA will use the Indianapolis Local Public Improvement Bond Bank as the conduit issuer.

The TEFRA (Tax Equity and Fiscal Responsibility Act) hearing and the final public hearing on the adoption of the above-referenced Ordinance will be conducted as a combined hearing at the October 18, 2019 IAA Board meeting.



BOARD MEMO- THIRD AMENDMENT TO LEASE AGREEMENT – IMC

To: IAA Board of Directors
From: Marsha Stone, Sr. Director of Commercial Enterprise
Date: August 27, 2019
Board Date: September 20, 2019
Subject: Third Amendment to Lease Agreement with Schenker, Inc.

Background

Due to global increases in the air cargo forwarding business, Schenker, Inc. (Schenker) has a need to increase the amount of warehouse space to their leasehold at the IMC. Schenker currently leases 20,000 square feet of warehouse space, which it has occupied beginning August 4, 2006 with a current annual rental rate of \$114,800.00. Tenant will be leasing an additional 3,843 square feet of warehouse space at an annual incremental increase of \$28,822.50 taking the total annual rents to \$143,622.50. The current lease term will expire February 28, 2021.

Scope

Staff requests the IAA Board to execute the Third Amendment to Lease Agreement. The additional square footage will become effective September 23, 2019.

Schedule

September 20, 2019: IAA Board approval of Third Amendment to Lease Agreement with Schenker, Inc.

Revenue and/or Operating Cost Implications Revenue

Revenue:

Schenker, Inc. will pay the following annual rental rates for warehouse space located at the IMC:

- During the Primary Term of September 23, 2019 – February 29, 2020, Schenker will pay \$143,622.50 annually.
- During the Option Term of March 1, 2020 – February 28, 2021 Schenker will pay \$147,983.25 annually.

Operating Cost:

Schenker, Inc. will be responsible for all costs associate with enclosing the space within their Leasehold and any alterations of the space.

As with all IMC tenants, Authority is responsible for utilities (not including sub-metered refrigeration), all structural maintenance, repairs and replacements, and all air conditioning, electrical, heating, mechanical and plumbing systems. The rental rate is reflective of these IAA responsibilities.

Supplier Diversity Participation

N/A

Recommendation

The IAA staff recommends the IAA Board consider, for approval, the Third Amendment to Lease Agreement with Schenker, Inc. for the expansion of their Leased Premises of an additional 3,843 square feet.



BOARD MEMO – REAL ESTATE SALE AGREEMENT

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: August 28, 2019

Board Date: September 20, 2019

Subject: IAA Land Use Initiative – Real Estate Sale Agreement with Pace Property Holding LLC

Background

As a direct attribute of the IAA Land Use Initiative (illustrated in attachment Map No. 1), IAA Staff have been diligently pursuing the sale of certain IAA land located along the east side of Hendricks County Road 1050 East, about one-quarter mile south of US Highway 40 in Plainfield, Indiana. The vacant land to be sold totals 48.092 +/- acres and is shown on the attached aerial.

Governed by law of the State of Indiana on such land transactions, the IAA procured two separate appraisals for the acreage to be sold to Pace Property Holding LLC. These appraisals are then averaged and that dollar amount becomes the minimum price the IAA may sell land in any transaction. The sale price for this transaction meets and exceeds the average of the two appraisal amounts and represents a Fair Market Value (FMV) transaction as guided by the FAA and State of Indiana.

Land Sale Restrictions

The conveying of the land to Pace Property Holding LLC will also include, but not limited to, the following perpetual land use restrictions (including noise disclosures and waivers, and aviation easement), which will run with the land at all times:

- Indianapolis Airport Authority will retain a perpetual easement and right-of-way (“Airspace Easement”) for the free and unobstructed passage of aircraft in, through and across the airspace which lies above the surface of the property. Purchaser will not construct any structure or other obstructions which exceeds the height restrictions designated or established by federal or state laws, rules or regulations, or ordinances, including, but not limited to, 14 CFR Part 77 and the Town of Plainfield Airspace Ordinance.
- Purchaser agrees to file a notice consistent with requirements of 14 CFR FAR Part 77 (FAA Form 7460-1) prior to constructing any facility, structure, or other item on the herein described real property.
- Purchaser agrees it will not use, nor permit, the property to be used in such a manner as to create a potential for attracting birds and other wildlife which may pose a hazard to aircraft.

- Purchaser agrees the property will not be used for paid public parking for any types of vehicles, or as a taxi staging area or other “for hire” transportation of the traveling public.
- Purchaser agrees the property will not be used for any type of utility operation, asphalt plant, or other business or facility that emits, to any extent, smoke, fumes, vapors, or other gases that constitute a hazard to aircraft as determined by the Federal Aviation Administration.

FAA Land Release Approval

As this land does fall within the “aeronautical uses” of the Airport Layout Plan (ALP), Staff is required to submit information to the FAA to receive a land release.

Scope

To execute a Real Estate Sale Agreement with Pace Property Holding LLC for the sale of 48.092 +/- acres of land located in Plainfield, Indiana.

Schedule

September 20, 2019	Upon approval, IAA Board execution of the Real Estate Sale Agreement with Pace Property Holding LLC.
September 25, 2019	Within five (5) days of the execution of the Sale Agreement the Buyer is to deliver earnest money in the amount of \$100K as designated within the Sale Agreement.
December 26, 2019	Buyer has ninety (90) days from the execution of the Sale Agreement as an Inspection Period. Closing of the land sale is to occur within thirty (30) days after Inspection Period.

Revenue and/or Operating Cost Implications

Revenue:

\$2,212,232 or \$46,000 per acre.

Operating Costs:

Operating costs for this transaction will not exceed \$38,500 and are generally made up of appraisal, survey and environmental fees, recording fees, title work and closing costs.

Supplier Diversity Participation

Estimated WBE spend is \$2,500 or 16% (First American Title) and MBE spend is \$23,000 or 60% (Shrewsberry & Associates) of the total estimated dollar amount noted above.

Recommendation

Public Hearing on **BP2019-09-03**, regarding a certain Real Estate Sale Agreement with Pace Property Holding LLC, for the sale of approximately 48.092 acres of land located along the east side of Hendricks

Memo Re: Real Estate Sale Agreement with PACE

County Road 1050 East, about one-quarter mile south of US Highway 40 in Plainfield, Indiana, for a total sale amount of \$2,212,232, as more particularly described in said **BP2019-09-03**.

Consider, for approval, BP2019-09-03, regarding a certain Real Estate Sale Agreement with the Pace Property Holding LLC, for the sale of approximately 48.092 acres of land (illustrated in Map attachment No. 2) located along the east side of Hendricks County Road 1050 East, about one-quarter mile south of US Highway 40 in Plainfield, Indiana, for a total sale amount of \$2,212,232 and authorizing IAA Staff to consummate sale transaction.

**IAA Board Meeting
General Agenda
September 20, 2019**

General:

BP2019-09-04 **Consider, for approval** the Land and Building Lease Agreement for Building #130 with Avis Budget Car Rental, LLC for an initial period of one (1) year with the option to extend the term of this Agreement for two (2) option periods of one (1) year each by mutual consent.

Capital:

BP2019-09-05 **Consider, for approval** a professional services contract with Butler, Fairman & Seufert, Inc. for the Install Perimeter Fence – Design at Indianapolis Regional Airport in an amount not-to-exceed \$283,034.14 (fees and expenses). Supplier diversity participation is DBE 41.17% (Jacobi, Toomz & Lanz and The Etica Group), MBE 32.80% (Jacobi, Toomz & Lanz), WBE 9.86% (The Etica Group and Repro Graphix), and VBE 2.67% (B&R Consulting).

BP2019-09-06 **Consider, for approval** a Delegation of Authority to the IAA Executive Director to approve and execute a construction contract for Consolidated Snow Removal Equipment and Materials Storage Facility, Phase I at Indianapolis International Airport to J.C. Ripberger Construction Corporation in an amount not-to-exceed \$13,844,800.00 plus a 5% construction reserve of \$692,240.00 for a total of \$14,537,040.00. J.C. Ripberger Construction Corporation was the lowest responsive and responsible bidder. Supplier diversity participation is MBE 7.63% (Sexson Mechanical and Robert Haines), WBE 3.07% (Anthony Anderson), and VBE 43.67% (J.C. Ripberger and Eagle Mechanical).

BP2019-09-07 **Action # 1 - Consider, for approval** Change Order No. 2 with Charles C. Brandt Construction Co. for the Concessions Refresh White Box at Indianapolis International Airport in an amount not-to-exceed \$57,877.08. Supplier diversity participation for Change Order No. 2 is MBE 30.67% (Sexson Mechanical).

Action # 2 - Consider, for approval an additional construction reserve for the construction contract with Charles C. Brandt Construction Co. in the amount of \$80,000.00.

BP2019-09-08 **Consider, for approval** an award of contract for Rehabilitate Building Exterior (EIFS) – Heliport at Indianapolis Downtown Heliport to The NEW Group, Inc. in an amount not-to-exceed \$290,000.00 plus a 15% construction reserve of \$43,500.00 for a total of \$335,500.00. The NEW Group, Inc. was the lowest responsive and responsible bidder. Supplier diversity participation is MBE 13.79% (PKS Construction).



BOARD MEMO- LAND AND BUILDING LEASE AGREEMENT

To: IAA Board of Directors
From: Marsha Stone, Sr. Director of Commercial Enterprise
Date: August 30, 2019
Board Date: September 20, 2019
Subject: Land and Building Lease Agreement with Avis Budget Car Rental, LLC

Background

Avis Budget Car Rental, LLC (“Avis”) is currently operating in Building #18 located at 6050 West Raymond Street on a land & building lease agreement set to expire November 30, 2019 (see attachment). This leasehold resides in the Infosys Option Area. As agreed upon during the Infosys negotiations, the IAA would not extend the lease term with Avis for this site.

As well, Building #130, was previously leased to the Hertz Corporation (“Hertz”) located at 2621 South High School Road (see attachment) on a land & building lease agreement with the IAA that expired earlier in the year (2019). Subsequently, Hertz has been renovating the facility as a lease term obligation. The facility is now ready for release by the IAA; therefore, Avis will be moving into the former Hertz facility.

Scope

Staff requests the IAA Board execute the Land and Building Lease Agreement (the “Agreement”) with Avis. The initial term of the Agreement is for a period of one (1) year commencing September 20, 2019 and terminating September 19, 2020.

Avis will have the option to extend the term of the Agreement for two (2) option periods of one (1) year each. There exists the potential need by the IAA for redevelopment in this area; therefore, both the IAA and Avis will have to mutually agree to exercise each one year option period.

Schedule

September 20, 2019: IAA Board approval of Land and Building Lease Agreement with Avis Budget Car Rental, LLC.

Revenue and/or Operating Cost Implications Revenue

Revenue:

Avis will pay the following annual rental rates associated with the Agreement:

- Initial Term: September 20, 2019 through September 19, 2020 - \$98,824.04 annually
- Option Year #1: September 20, 2020 through September 19, 2021 - \$101,788.76 annually
- Option Year #2: September 20, 2021 through September 19, 2022 - \$104,842.42 annually

Operating Cost:

- Avis will be responsible for all utilities, maintenance, and operating costs of Building #130 during the lease term.
- IAA will assist with certain expenses related to the early movement of Avis to their new leasehold. IAA costs are expected to not exceed \$25,000 in moving expenses which are mainly the cost of relocation hundreds of rental cars. This task will be accomplished by Avis and the IAA will issue a one-time rental credit

Supplier Diversity Participation

There are no capital or operating costs beyond the rental credit as mentioned above.

Recommendation

The IAA staff recommends the IAA Board consider for approval the Land and Building Lease Agreement for Building #130 with Avis Budget Car Rental, LLC for an initial period of one (1) year with the option to extend the term of this Agreement for two (2) option periods of one (1) year each by mutual consent.



Indianapolis Airport Authority

BOARD MEMO – CONTRACT AWARD

To: IAA Board of Directors

From: Jarod Klaas, P.E., Senior Director of Planning & Development

Date: August 21, 2019

Board Date: September 20, 2019

Subject: Approval of Professional Services Contract with Butler, Fairman & Seufert, Inc. (BF&S) for the Install Perimeter Fence – Design at Indianapolis Regional Airport (Project No. C-19-082)

Background

The existing perimeter fence surrounding the terminal and entrance drive areas at Indianapolis Regional Airport (MQJ) does not meet the safety and security standards specified by the Federal Aviation Administration (FAA). In addition, a Wildlife Hazard Assessment conducted by the Indianapolis Airport Authority (IAA) determined the existing fence does not provide adequate wildlife incursion prevention. Given the acceptance of the Assessment by the FAA, IAA is able to obtain FAA funding for a 10-foot fence with barbed wire and below ground wildlife deterrent.

On August 31, 2018, the Indianapolis Airport Authority (IAA) issued a Request for Qualifications to select designers for the project with responses due on September 28, 2018. Six (6) Statement of Qualifications (SOQs) were received. A review committee made up of three (3) IAA representatives reviewed and ranked the SOQs with Butler, Fairman & Seufert, Inc. ranked highest by the committee.

Scope

BF&S will provide professional engineering services to evaluate the existing conditions, prepare preliminary and final design documentation for bidding, and provide construction administration support. BF&S deliverables for the project include, but is not limited to, 30%, 60%, 90% and final construction drawings and specifications.

Budget

The BF&S contract is \$283,034.14, which is within the approved 2020 Capital Budget for the Install Perimeter Fence - Design at Indianapolis Regional Airport.

The funding for this project is expected to be 90% FAA Airport Improvement Program (AIP) grant funds and up to 10% Airport capital improvement funds. The IAA will also be applying for a state

grant from Indiana Department of Transportation (INDOT). INDOT currently provides a grant of up to 5% of the eligible project costs thereby reducing the Airport capital funding to as little as 5% of the project. The FAA AIP grant for this professional services contract is anticipated to be awarded in 2020.

The project is being undertaken to rehabilitate existing infrastructure integral to the continued safe operations of the airport and is anticipated to be grant funded. As a result of the critical nature of the repairs 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

Contract award anticipated September 20, 2019 with a contract expiration date of November 30, 2021 to facilitate construction timeline, close-out, and the 10-month warranty walk-through.

Supplier Diversity Participation

The Director of Supplier Diversity has approved the following:

Firm	Amount				%			
	DBE	MBE	WBE	VBE	DBE	MBE	WBE	VBE
Jacobi, Toomz & Lanz	\$ 92,844.00	\$ 92,844.00	\$ -	-	32.80%	32.80%	0.00%	0.00%
The Etica Group	\$ 23,694.14	-	\$ 23,694.14	-	8.37%	0.00%	8.37%	0.00%
B&R Consulting	-	-	-	\$ 7,560.00	0.00%	0.00%	0.00%	2.67%
Repro Graphix	\$ -	-	\$ 4,200.00	\$ -	0.00%	0.00%	1.48%	0.00%
Totals	\$ 116,538.14	\$ 92,844.00	\$ 27,894.14	\$ 7,560.00	41.17%	32.80%	9.86%	2.67%

Recommendation

The IAA staff recommends the IAA Board consider for approval a professional services contract with Butler, Fairman & Seufert, Inc. for the Install Perimeter Fence – Design at Indianapolis Regional Airport in an amount not-to-exceed \$283,034.14 (fees and expenses). Supplier diversity participation is DBE 41.17% (Jacobi, Toomz & Lanz and The Etica Group), MBE 32.80% (Jacobi, Toomz & Lanz), WBE 9.86% (The Etica Group and Repro Graphix), and VBE 2.67% (B&R Consulting).



Indianapolis Airport Authority

BOARD MEMO – DELEGATION OF AUTHORITY

To: IAA Board of Directors

From: Jarod Klaas, P.E., Senior Director of Planning & Development

Date: September 10, 2019

Board Date: September 20, 2019

Subject: Delegation of Authority for Award of Construction Contract with J.C. Ripberger Construction Corporation for Consolidated Snow Removal Equipment (SRE) and Materials Storage Facility, Phase I at Indianapolis International Airport (Project No. I-15-031)

Background

The Snow Removal Equipment (SRE) for the Indianapolis International Airport is currently stored in four aging buildings spread across the northeast corner of the airport: Storage Buildings 5 and 6, and Hangars 100 and 105. Additionally, several pieces of equipment are stored in Building 2 despite its primary function being a maintenance shop. It is the desire of the Maintenance and Operations Departments to develop a consolidated SRE storage building to store all the SRE equipment, including recently acquired MB Multi-Tasking Snow Removal Vehicles which are too large to fit inside any building other than hangars.

On February 5, 2019, the IAA Executive Director approved plans and specifications and authorized public bidding process for Consolidated Snow Removal Equipment and Materials Storage Facility, Phase I at Indianapolis International Airport.

On March 15, 2019, the IAA staff received three (3) bids. The project contained a base bid and one (1) alternate bid for an additional maintenance pit. To align the work with the available funding, this contract will consist of the base bid and alternate bid No. 1. The bids for base bid and alternate bid No. 1 ranged from \$13,844,800.00 to \$15,082,000.00. J.C. Ripberger Construction Corporation was the lowest responsive and responsible bidder in the amount of \$13,844,800.00 for the combination of the base bid and alternate bid No. 1.

In addition to the contract amount, IAA staff is requesting a construction reserve of 5% of the total contract amount for this project. This construction reserve approved by the IAA Board will ensure timely approval of minor changes necessary due to unforeseen conditions and circumstances. There are sufficient dollars within this project’s budget to accommodate this contingency for construction reserve. Change orders exceeding the construction reserve will be submitted to the IAA Board for approval.

Delegation of Authority to the IAA Executive Director to execute the contract with J.C. Ripberger Construction is requested to expedite the start of construction once the status of FAA grant funding is determined. IAA may not enter into an agreement with a contractor prior to FAA grant award, and J.C. Ripberger has agreed to maintain their bid pricing from March 2019 until the end of September 2019 so the IAA could pursue the FAA grant. IAA has programmed the entire cost of the project into the Capital Budget if the grant is denied. It benefits the project to begin construction immediately upon grant determination to beat the start of winter weather.

Scope

Phase I scope of construction includes demolition of Vehicle Storage Buildings 5 and 6 and the construction of a new 77,400 square foot building with associated utility and site work.

Budget

The J.C. Ripberger Construction Corporation contract is \$13,844,800.00, which is within the approved 2020 Capital Budget for Consolidated Snow Removal Equipment and Materials Storage Facility, Phase I.

Consolidated SRE and Materials Storage Facility, Phase I

Contract Amount (including 5% reserve)	\$	14,537,070.00
Design (including survey and geotechnical)		650,018.00
Advertisements for Bid		896.00
Construction Administration		267,110.00
Total Anticipated Project Cost	\$	15,455,094.00

This project is expected to be partially funded by Federal Aviation Administration (FAA) grant funds with the remainder to be Airport cash funded. The grant determination will be made by end of September 2019.

Delegation of Authority to the IAA Executive Director to approve and execute a construction contract to J.C. Ripberger Construction Corporation is being requested to maintain the current schedule and implement this project once the FAA grant funding has been determined.

This project is being undertaken to increase efficiency, reduce operational costs and preserve existing assets. Without these improvements, operational costs will continue to escalate and inefficiencies in snow removal efforts will impact our airline partners. Therefore, this project is exempt under the Authority's hurdle rate policy and has not been subjected to an internal rate of return calculation.

Schedule

Contract award is anticipated September 2019 and the substantial completion is expected to be October 2020.

Supplier Diversity Participation

The Director of Supplier Diversity has approved the following:

Firm	Amount				%			
	DBE	MBE	WBE	VBE	DBE	MBE	WBE	VBE
JC Ripberger	\$ -	\$ -	\$ -	\$ 3,246,704.00	0.00%	0.00%	0.00%	23.45%
Sexson Mechanical	-	1,028,000.00	-	-	0.00%	7.43%	0.00%	0.00%
Anthony Anderson Corp	-	-	425,000.00	-	0.00%	0.00%	3.07%	0.00%
Eagle Mechanical Inc.	-	-	-	2,800,000.00	0.00%	0.00%	0.00%	20.22%
Robert Haines Company	-	28,000.00	-	-	0.00%	0.20%	0.00%	0.00%
Totals	\$ -	\$1,056,000.00	\$ 425,000.00	\$ 6,046,704.00	0.00%	7.63%	3.07%	43.67%

Recommendation

The IAA staff recommends the IAA Board consider for approval a Delegation of Authority to the IAA Executive Director to approve and execute a construction contract for Consolidated Snow Removal Equipment and Materials Storage Facility, Phase I at Indianapolis International Airport to J.C. Ripberger Construction Corporation in an amount not-to-exceed \$13,844,800.00 plus a 5% construction reserve of \$692,240.00 for a total of \$14,537,040.00. J.C. Ripberger Construction Corporation was the lowest responsive and responsible bidder. Supplier diversity participation is MBE 7.63% (Sexson Mechanical and Robert Haines), WBE 3.07% (Anthony Anderson), and VBE 43.67% (J.C. Ripberger and Eagle Mechanical).



Indianapolis Airport Authority

BOARD MEMO – CHANGE ORDER

To: IAA Board of Directors

From: Jarod Klaas, P.E., Senior Director of Planning & Development

Date: September 10, 2019

Board Date: September 20, 2019

Subject: Approval of Change Order No. 2 with Charles C. Brandt Construction Co. and the approval of an additional construction reserve for Concessions Refresh White Box at Indianapolis International Airport (Project No. I-17-014)

Background

The Indianapolis International Airport opened in 2008 with a variety of concessions including dining, shopping and specialty services. Many of the concession leases have expired and the concessions program has been modified to accommodate changes in passenger needs. As a result, some tenant spaces are changing function (e.g., retail space is becoming restaurant space), some new concessions spaces are being created - some of which came from relocating certain TSA support and back office functions to other less “prime” areas. The work is divided into two projects; the Concessions Refresh White Box (Infrastructure improvements and temporary enclosure walls) and the Concessions Refresh White Box–TSA (Finished spaces for relocated TSA functions). This contract is for the Concessions Refresh White Box project.

On February 15, 2019, the IAA Board executed a contract with Charles C. Brandt Construction for the construction of the Concessions Refresh White Box.

On May 28, 2019, the Senior Director of Planning & Development approved Change Order No. 1 with Charles C. Brandt Construction to include the construction of a stone dumpster pad at loading dock that will be removed and repaired at the end of the project.

Change Order Summary

Contract changes fall under one of three categories: Errors/Omissions, Unforeseen Circumstances, or additional Owner requested scope. Typically, the cost of an error is paid by the designer as the error may require work already completed to be redone. Omissions are items that are corrected before work is performed and for which the designers are typically charged up to 15% of the cost because the item may have to be negotiated with the contractor. Unforeseen circumstances are items that could not reasonably been anticipated by the designer and therefore are not charged against the designer. Owner requested scope changes occur when, during construction, the Owner identifies, and directs the contractor to complete, additional work which benefits the Owner.

This change order addresses multiple items summarized below. It includes the previously approved Change Order No. 1, pending Change Order No. 2, and request for additional construction reserve for anticipated future costs. This Change Order addresses Owner requested scope changes and unforeseen circumstances. The vast majority of these changes were a result of revisions requested by tenants after the project had been designed and bid, resulting in enhanced customer services, upgraded finishes, and an improved overall experience.

The following are Owner requested scope changes initiated by IAA after the development of the initial Project scope and budget:

- In order to accommodate the Service Animal Relief Stations, Sensory Rooms and the new Pit Stop Retail Tenant, demolition of an existing vacant space, adjacent Amenity Center and Phone Charging Centers was required. These also included the careful work of salvaging support columns and overhead trusses for future relocation to the new Play Areas, as well as the repair of terrazzo flooring and termination of existing electrical services.
- The addition of 4 enclosure panels to the Stacked Pickle were required because of the enlargement of the footprint requested by the tenant.
- Salvaging of existing Trespa wall panels was requested at the vacant space and Forever Heather store as a reserve for ongoing tenant construction to maintain the future architectural continuity of the Terminal. Phone charging stations were also requested to be salvaged in these locations for similar reasons.
- 5 enclosure panels were added to the Trip Advisor when the tenant requested to extend the exterior finish on the Civic Plaza and Check Point A side of their store.
- 14 enclosure panels were added to Ben's Soft Pretzels when the design opened up to the east and the adjacent Amenity Center was requested to be removed to accommodate the tenant's requests.
- Cost credits were provided for removing a set of double doors at the Trip Advisor and at Ben's Soft Pretzels because an enclosure wall had already been erected prior to award of the Concessions Refresh White Box contract.

The following changes occurred as a result of unforeseen conditions:

- Sanitary and water lines were extended to the FAO Schwarz when a food component became part of the store.
- The Play Area carpets were relocated on an interim basis as requested by IAA while designs are being prepared for new Play Areas.
- Enclosure wall doors were relocated for the i-Store/Scoreboard and feeder conduits to the Tumi were extended into the adjacent Electrical Room to avoid multiple removals of the Concourse ceiling, avoiding potential customer inconvenience.
- Grease waste and sanitary piping required modification to avoid existing mechanical ductwork and plumbing for the Sun King space and Ben's Soft Pretzel because utilities were not installed in accordance with the original Terminal construction documents.
- Three enclosure panels were added to the Tumi store to provide additional working space for modifications to the final store footprint.

The additional construction reserve is being requested for the following reason:

- Planning and Development and its consultants prudently evaluated mechanical, electrical, and plumbing revision costs which were designed and budgeted in the original Project. As space details and offerings evolve, many tenants are committing to creating spaces that exceed original expectations in terms of offerings and finishings. The additional construction contingency requested is commensurate with these changes.

Budget

The Charles C. Brandt Construction Change Order No. 2 is \$57,877.08 and the additional construction reserve of \$80,000.00 are both within the approved 2020 Capital Budget for the Concessions Refresh White Box project.

Revised Construction Amount

Original Construction Contract Amount		\$ 726,400.00
Previous Change Orders	(0.86% of contract)	6,265.00
Current Change Order No. 2	(7.97% of contract)	<u>57,877.08</u>
New Construction Contract Total		\$ 790,542.08

Project Costs

Design		\$ 188,639.19
Advertisements for Bid		646.00
Construction Contract Amount		726,400.00
Previous Change Orders		6,265.00
Current Change Order No. 2 (7.97%)		57,877.08
Additional Construction Reserve		<u>80,000.00</u>
Revised Total Anticipated Project Cost		\$ 1,059,827.27

This project will be 100% Airport cash funded.

Schedule

This change order does not change the term of the contract. Substantial completion is expected to occur July 2021.

Supplier Diversity Participation

The Director of Supplier Diversity has approved the following:

Firm	Amount			%		
	MBE	WBE	VBE	MBE	WBE	VBE
Sexson Mechanical	\$ 17,750.00	\$ -	\$ -	30.67%	0.00%	0.00%
Totals	\$ 17,750.00	\$ -	\$ -	30.67%	0.00%	0.00%

Project Summary to Date

Contract/Change Order/Amendment	Execution	Total Contract Amount	Diversity Participation %		
			MBE	WBE	VBE
CC Brandt-Construction Contract	2/15/2019	\$ 726,400.00	27.61%	0.00%	1.09%
CC Brandt-Change Order No. 1	5/29/2019	\$ 6,265.00	0.00%	0.00%	0.00%
CC Brandt-Change Order No. 2	9/20/2019	\$ 57,877.08	30.67%	0.00%	0.00%
Revised Contract NTE		\$ 790,542.08	27.61%	0.00%	1.00%

Recommendation

Action 1: The IAA staff recommends the IAA Board consider approval of Change Order No. 2 with Charles C. Brandt Construction Co. for the Concessions Refresh White Box at Indianapolis International Airport in an amount not-to-exceed \$57,877.08. Supplier diversity participation for Change Order No. 2 is MBE 30.67% (Sexson Mechanical).

Action 2: The IAA staff recommends the IAA Board consider approval of an additional construction reserve for the construction contract with Charles C. Brandt Construction Co. in the amount of \$80,000.00.



Indianapolis Airport Authority

BOARD MEMO – CONTRACT AWARD

To: IAA Board of Directors

From: Jarod Klaas, P.E., Senior Director of Planning & Development

Date: September 10, 2019

Board Date: September 20, 2019

Subject: Award of Construction Contract with The NEW Group, Inc. for Rehabilitate Building Exterior (EIFS) – Heliport (Project No. H-19-079)

Background

Indianapolis Downtown Heliport building was built by the Indianapolis Heliport Corporation in 1982. On January 1, 1997, the IAA took over the maintenance of the structure and, on May 4, 1998, purchased the building.

The exterior of the Heliport building is covered with an exterior insulating and finish system (EIFS). This exterior must be recoated and caulked at regular intervals to keep the building water tight.

On December 19, 2018, the Senior Director of Planning & Development approved a task order with Rowland Design, Inc. through their 2018 On-Call Contract to prepare the plans and specifications for the rehabilitation of the Heliport's EIFS.

On June 14, 2019, the IAA Executive Director approved plans and specifications, and authorized the public bidding process for Rehabilitate Building Exterior (EIFS) – Indianapolis Downtown Heliport.

On July 15, 2019, the IAA staff received one bid. The bid was non-responsive and a new bid date was advertised.

On August 13, 2019, the IAA staff received two bids. The project contained a base bid only. The bids ranged from \$290,000.00 to \$334,500.00. The NEW Group, Inc. was the lowest responsive and responsible bidder in the amount of \$290,000.00.

In addition to the contract amount, IAA staff is requesting a construction reserve of 15% of the total contract amount for this project. A construction reserve has been previously approved by the IAA Board on other projects and successfully implemented to ensure timely approval of minor changes necessary due to unforeseen conditions and circumstances. There are sufficient dollars within this project's budget to accommodate the funding of the 15% contingency for construction

reserve. Change orders exceeding the construction reserve will be submitted to the IAA Board for approval.

Scope

The scope of this project is to re-caulk and recoat the EIFS to eliminate water intrusion into the building.

Budget

The NEW Group, Inc. contract is \$290,000.00, which is within the approved 2020 Capital Budget for Rehabilitate Building Exterior (EIFS) - Heliport.

Rehabilitate Building Exterior (EIFS)

Contract Amount (including 15% reserve)	\$	333,500.00
Design (including survey and geotechnical)		20,200.00
Advertisements for Bid		530.87
Total Anticipated Project Cost	\$	354,230.87

This project will be 100% Airport cash funded.

This project is being undertaken to preserve an asset. Without these improvements, the structure will continue to deteriorate in excess of normal maintenance and its remaining useful life will be reduced. As a result of the necessity to maintain the asset in working order, this project is exempt under the Authority's hurdle rate policy and has not been subjected to an internal rate of return calculation.

Schedule

Contract award is anticipated September 20, 2019 and the substantial completion is expected to occur December 2019.

Supplier Diversity Participation

The Director of Supplier Diversity has approved the following:

Firm	Amount			%		
	MBE	WBE	VBE	MBE	WBE	VBE
PKS Construction	\$ 40,000.00	\$ -	\$ -	13.79%	0.00%	0.00%
Totals	\$ 40,000.00	\$ -	\$ -	13.79%	0.00%	0.00%

Recommendation

The IAA staff recommends the IAA Board consider for approval an award of contract for Rehabilitate Building Exterior (EIFS) – Heliport at Indianapolis Downtown Heliport to The NEW Group, Inc. in an amount not-to-exceed \$290,000.00 plus a 15% construction reserve of \$43,500.00 for a total of \$335,500.00. The NEW Group, Inc. was the lowest responsive and responsible bidder. Supplier diversity participation is MBE 13.79% (PKS Construction).