



Indianapolis Airport Authority

IAA Board of Directors Meeting Agenda

June 17, 2022

8:00 AM

Location: Board Conference Room – 4th floor and Via Zoom (Hybrid meeting)

I. Call to Order

II. Approval of Minutes of the IAA Board’s (Hybrid) Meeting of May 20, 2022.

III. Ordinances, Resolutions, and Public Hearings

- a) **Introduction of 2023 Budget Ordinance, General Ordinance No. 02-2022**, concerning Indianapolis Airport Authority’s budget process, as more particularly described in **Board Memo BP2022-06-01**.
- b) **Consider, for approval and adoption, Resolution No. 05-2022**, the First Addendum to the Amended and Restated Lease Agreement and associated IMC Board Resolution with AAR Aircraft Services Inc., for the temporary use of Hangar 2B commencing June 17, 2022, for a period of forty-five (45) days, as more particularly described in **Board Memo BP2022-06-02**.

IV. Board Reports

- a) Board President’s Report
- b) Congratulations to Board Member, Mamon Powers III with Powers & Sons Construction on being recognized as the “Diversity in Leadership” award winner at the Mayor’s Celebration of Diversity Awards for their work in cultivating an atmosphere of growth, particularly when considering upper-level diversity as well as actively supporting a diverse organizational culture. Power & Sons Construction Co. has made exceptional efforts to demonstrate diversity, equity, and inclusivity in their workplace.

V. Official Actions

Consider, for approval, the individual items on the **IAA General Agenda, dated June 17, 2022**.

VI. Staff Reports

- a) **Executive Director’s Report (Submitted in writing)**
 - i. 2022 1st Quarter Core Values Winners
 - ii. 2022 ACI-NA HR Excellence Recognition Program Award in the Individual Topic of Change Management
 - iii. 2022 Visit Indy ROSE Awards Winner, Caity Withers

- iv. 2022 ACEC Indiana Engineering Excellence Awards, Runway 5L-23R and Taxiway B Rehabilitation (IND)
- v. Runway 5R-23L and Taxiway D Strengthening and Capacity Enhancement - Tony McMichael *Presentation*
- vi. First international shipment of Operation Fly Formula landing at IND - Megan Carrico *Presentation*
- vii. A Decade of Excellence Launch – Bill Stinson

VII. Other Reports and Updates

- a) **Board Communications: *Next Meeting: Friday, July 15, 2022, at 8:00 AM***

MINUTES
Board of Directors Meeting
Indianapolis Airport Authority

The Regular Meeting of the Indianapolis Airport Authority (IAA.) Board called to order at 8:00 am May 20, 2022, in the Airport's Board Conference Room at Indianapolis International Airport. A roll call attendance was taken. Board Members attended in person or via Zoom.

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

Barbara Glass, President
Steve Dillinger, Vice President
Mamon Powers, Secretary
Kurt Schleiter, Member
Jeffrey Gaither, Member (not attending)
Matthew Whetstone, Member
Toby McClamroch, Member
Kathy Davis, Member
Ryan Goodwin, Member
Brett Voorhies, Member (attending via Zoom)
Tamika Catchings, Member (not attending)
Brian Tuohy, I.A.A. Board Counsel

Board Members not able to attend: Jeffrey Gaither, Tamika Catchings

I.A.A. Executive Staff attending:

Mario Rodriguez, Executive Director
Keith Berlen, Sr. Director of Operations and Public Safety
Marsha Stone, Sr. Director of Commercial Enterprise
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
Holli Harrington, Director of Supplier Diversity and Diversity Officer
Jonathan Weinzapfel, General Counsel
Robert Thomson, Sr. Director of Finance
Drew Genneken, Deputy Sr. Director of Planning & Development

APPROVAL OF MINUTES

No discussion occurred. Upon a motion by Mr. McClamroch and a second by Vice President Dillinger, unanimous approval was given to the Meeting Minutes of the IAA Board Meeting on April 15, 2022.

ORDINANCES, RESOLUTIONS, AND PUBLIC HEARING

President Glass called upon Ms. Stone to present for approval and adoption [**Resolution No. 03-2022**](#), concerning the Indianapolis Airport Authority approving the Air Service Incentive Plan that offers incentives to air carriers who meet the qualifications set forth in the Incentive Plan or the Supplement Plan as more particularly described in said [**Board Memo BP2022-05-01**](#).

President Glass asked for a motion of approval for [**Board Memo BP2022-05-01**](#). A motion of approval was made by Mr. McClamroch and seconded by Mr. Powers. Next, President Glass asked if there were any questions.

Ms. Davis asked if this plan was significantly more generous than the 2017 plan related to post Covid competitions? Mr. Rodriguez answered yes, this is more generous; however, there is less crew and equipment and more competition, increasing the operational cost. This will allow for a quicker accrual in international airline routes.

President Glass acknowledged the incentive plan is important; however, there will be a need for strong supporting data for things that work to prevent spending on items that will not work. Mr. Rodriguez acknowledges the necessity of good data and reassures to report back to the board with strong data annually.

President Glass called for a vote with all members stating, "Aye." With no opposition, unanimous approval was given to [**Board Memo BP2022-05-01**](#).

President Glass called upon Ms. Stone to present for approval and adoption [**Resolution No. 04-2022**](#)

President Glass asked for a motion of approval for [**Board Memo BP2022-05-02**](#). A motion of approval was made by Mr. Goodwin and seconded by Ms. Davis. Next, President Glass asked if there were any questions.

Mr. McClamroch asked if the \$9,000.00 would be the total fiscal impact. Mr. Weinzapfel acknowledged the \$9,000.00 would be the total fiscal impact covering ten police officers.

President Glass called for a vote with all members stating, "Aye." With no opposition, unanimous approval was given to [**Board Memo BP2022-05-02**](#)

OFFICIAL ACTIONS

INTRODUCTION AND APPROVAL OF THE INDIANAPOLIS AIRPORT AUTHORITY'S GENERAL AGENDA DATED May 20, 2022: President Glass described each item listed on the General Agenda.

President Glass called upon Ms. Stone to present [**BP2022-05-03**](#) to consider for approval the execution of the Land & Building Lease Agreement with FB America, Inc. at Indianapolis Regional Airport for a term commencing May 1, 2022, through April 30, 2027.

President Glass asked for a motion of approval for [BP2022-05-03](#). A motion for approval was made by Mr. McClamroch and seconded by Vice President Dillinger. Next, President Glass asked if there was any discussion. There being none, President Glass called for a vote with all members stating, "Aye." With no opposition, unanimous approval was given to [BP2022-05-03](#).

President Glass called upon Mr. Berlen to present [BP2022-05-04](#) for consideration and approval for the purchase of two (2) new snow Multi-Tasking Equipment (MTE) with solid deicer spreaders from M-B Companies Inc. in an amount not-to-exceed \$1,788,928.00

President Glass asked for a motion of approval for [BP2022-05-04](#). A motion for approval was made by Mr. Powers and seconded by Vice President Dillinger. Next, President Glass asked if there was any discussion.

Mr. Powers inquired as to the number of these machines the Authority had in the past. Mr. Berlen stated the original package of equipment arrived in 2012 with nine.

President Glass called for a vote with all members stating, "Aye." With no opposition, unanimous approval was given to [BP2022-05-04](#).

President Glass called upon Mr. Genneken to present [BP2022-05-05](#) for consideration and approval of Change Order No. 7 (F&B) with J.C. Ripberger Construction Corporation for Consolidated Snow Removal Equipment (SRE) and Materials Storage Facility, Phase I at Indianapolis International Airport in an amount not-to-exceed \$173,388.00. Supplier diversity participation for Change Order No. 7 (F&B) is MBE 20.84% (Sexson Mechanical Corporation) and VBE 76.29% (J.C. Ripberger Construction Corporation, Eagle Mechanical, Inc.). The cumulative supplier diversity participation is MBE 8.70%, WBE 3.p%, and VBE 42.68%.

President Glass asked for a motion of approval for [BP2022-05-05](#). A motion for approval was made by Ms. Davis and seconded by Mr. McClamroch. Next, President Glass asked if there was any discussion.

Mr. Powers questioned if this would be the final change order. Mr. Genneken confirmed this is the final change order.

President Glass then called for a vote, with all members stating, "Aye." With no opposition, unanimous approval was given to [BP2022-05-05](#).

President Glass called upon Mr. Berlen to present [BP2022-05-06](#) for consideration and approval an award of contract for CEP - Air Compressor Upgrades at Indianapolis International Airport to North Mechanical Contracting, Inc. not-to-exceed \$285,535.00 plus a 10% construction reserve of \$28,553.50 for a total of \$314,088.50. North Mechanical Contracting, Inc. was the lowest responsive and responsible bidder. The contractor is anticipated to self-perform the work;

therefore, the supplier diversity participation has been dictated by the contractor's diversity classification.

President Glass asked for a motion of approval for [BP2022-05-06](#). A motion for approval was made by Mr. Schleter and seconded by Mr. Whetstone. Next, President Glass asked if there was any discussion. There being none, President Glass called for a vote with all members stating, "Aye." With no opposition, unanimous approval was given to [BP2022-05-06](#).

President Glass called upon Mr. Genneken to present [ACTION ITEM #1 BP2022-05-07](#) for consideration and approval of a professional services contract with Shrewsberry & Associates, LLC. in support of the IAA's Capital Improvement Program and Other Projects and Initiatives in an amount not-to-exceed \$304,135.36. Supplier diversity participation is MBE 100% (Shrewsberry & Associates, LLC).

President Glass called upon Mr. Genneken to present [ACTION ITEM #2](#) for consideration and approval of a professional services contract with BB Engineering & Management in support of the IAA's Capital Improvement Program and Other Projects and Initiatives in an amount not-to-exceed \$199,680.00.

President Glass asked for a motion of approval for [BP2022-05-07 ACTION ITEM #1 & #2](#). A motion for approval was made by Mr. McClamroch and seconded by Mr. Powers. Next, President Glass asked if there was any discussion.

Ms. Davis questioned if the first contract reflects a decision on staffing issues. Mr. Genneken confirmed this is ultimately due to difficulty in hiring staff for projects.

Next, President Glass called for a vote with all members stating, "Aye." With no opposition, unanimous approval was given to [BP2022-05-07](#).

President Glass called upon Mr. Genneken to present [BP2022-05-08](#) for consideration and approval of an award of contract for Security Systems Enhancement-Gate 30C at Indianapolis International Airport to Electric Plus, Inc. in an amount not-to-exceed \$256,600.00 plus a 10% construction reserve of \$25,660.00 for a total of \$282,260.00. Electric Plus, Inc. was the lowest responsive and responsible bidder. Supplier diversity participation is MBE 10.00% (First Electric).

President Glass asked for a motion of approval for [BP2022-05-08](#). A motion for approval was made by Mr. Goodwin and seconded by Mr. Voorhies. Next, President Glass asked Ms. Bierman to take a vote with all members stating, "Aye." With no opposition, unanimous approval was given to [BP2022-05-08](#).

President Glass called upon Mr. Genneken to present [BP2022-05-09](#) for consideration and approval of an award of contract for Electrical Vehicle (EV) Charging Stations in Garage and Lots at Indianapolis International Airport to ERMCO Inc, in an amount not-to-exceed \$1,222,700.00 plus a 10% construction reserve of \$122,700.00 for a total of \$1,344,970.00. ERMCO, Inc. was

the lowest responsive and responsible bidder. Supplier diversity participation is MBE 25.48% (ATEC) and VBE 16.34% (Dallman Contractors).

President Glass asked for a motion of approval for [BP2022-05-09](#). A motion for approval was made by Vice President Dillinger and seconded by Mr. Powers. Next, President Glass called for a vote with all members stating, "Aye." With no opposition, unanimous approval was given to [BP2022-05-09](#).

President Glass called upon Mr. Genneken to present [BP2022-05-10 ACTION ITEM #1](#). Consider for approval Change Order No. 3 with Dallman Contractors, LLC for Bldg. 15 - CBP Occupancy Refurbishment at Indianapolis International Airport in an amount not-to-exceed \$49,069.85. Supplier diversity participation is VBE 10.05% (Dallman Contractors, LLC). The cumulative supplier diversity participation is MBE 15.75%, WBE 0.07%, and VBE 16.13%.

President Glass called upon Mr. Genneken to present [BP2022-05-10 ACTION ITEM #2](#). Consider for approval an additional construction reserve for the construction contract with Dallman Contractors LLC. in the amount of \$50,000.00

Next, President Glass asked if there was any discussion.

Mr. Powers questioned the \$50,000.00 additional reserve for the change order. Mr. Genneken responded that Change Order Three had exhausted the existing construction reserve for this project. The new reserve would allow additional change orders and prohibit them from rising above the 3% threshold. Mr. Powers asked how this contract differs from others with reserves in the past. Mr. Genneken stated that this had been done in the past to increase the project budget to ensure absorption of a small change order.

President Glass asked for a motion of approval for [BP2022-05-10 ACTION ITEM #1](#). A motion for approval was made by McClamroch and seconded by Mr. Powers. Next, President Glass called for a vote with all members stating, "Aye." With no opposition, unanimous approval was given to [BP2022-05-10 ACTION ITEM #1](#)

President Glass asked to table the motion for [BP2022-05-10 ACTION ITEM #2](#). Mr. McClamroch made a motion for a table, and it was seconded by Mr. Powers. President Glass then asked Ms. Bierman to take a roll call vote with all members in favor stating, "Aye." With a vote of 5 "Ayes" and 4 "Nays," [BP2022-05-10 ACTION ITEM #2](#) was tabled.

BOARD REPORTS

- a) Board President's Report – No Report

STAFF REPORTS

Executive Director's Report – Mario Rodriguez, E.D, announced that he has submitted a written report regarding the following items

- i. Parking Garage Expansion
- ii. Afghan Traveling Mura I Exhibit, August 15 (Mario to introduce Megan Gish Carrico for presentation & video)
- iii. 2022 Indiana Excellence in Concrete Pavement Awards, Runway SL-23R and taxiway B Rehabilitation (IND)
- iv. Land Initiative Update
- v. FedEx Expansion Update

Other Reports/Updates

- a.) Board Communications: Next Meeting: Friday, June 17, 2022, at 8:00 am.

ADJOURNMENT

Meeting adjourned at 8:44 am.

INDIANAPOLIS AIRPORT AUTHORITY *

By: _____

Barbara Glass, President

DATED: June 17, 2022

By: _____

Mamon Powers III, Secretary

* Signed under the Authority of IAA Board Resolution #11-2021

May 20, 2022, the Indianapolis Airport Board of Directors meeting is available to stream via the link:

Meeting Recording:

<https://zoom.us/rec/share/nCS8ZvQD9Nxy7-LsTclL8xGemStM8UWWf8itNJ2vK045CaoXqMQKQs28LYNdzPdY.xysdAr92QpV3bOg9>

Access Passcode: K?2=nUH6



BOARD MEMO – 2023 BUDGET ORDINANCE

To: IAA Board of Directors

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

Date: June 6, 2022

Board Date: June 17, 2022

Subject: 2023 Budget Ordinance No. 02-2022

Attached is the draft template of the 2023 Budget Ordinance No. 02-2022. Currently, IAA staff is working through the final details of the 2023 Budget. This Budget Ordinance, when adopted, will set the maximum appropriation (expenditure) levels for 2023.

The budget process requires an introduction, an initial hearing and presentation, and the final hearing and adoption of the Budget by August 31, 2022. On June 17, 2022, the Board meeting will be the verbal introduction of the Ordinance. The Ordinance is introduced, and no detail is discussed or presented.

The 2023 Airport System Fund Budget (which includes the Operating Budget) and Capital Improvement Budget assumptions will be reviewed in detail with the Finance and Audit Committee on June 17, 2022. This budget review meeting occurs in advance of the Initial Public Hearing on the Budget, scheduled for the July 15, 2022, Board meeting. The Final Hearing on the 2023 Budget will be held on August 19, 2022, at which time the Board will be asked to accept or reject the 2023 Budget Ordinance.

The Indianapolis City-County Council (Council) requires the Board to accept the 2023 Budget Ordinance by August 31, 2022. The Municipal Corporations Committee of the Council (Committee) will hold a hearing in September 2022 to review the 2023 Budget, and the Council will approve the budget in October 2022.



BOARD MEMO- AMENDED AND RESTATED LEASE AGREEMENT – IMC

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: June 6, 2022

Board Date: June 17, 2022

Subject: First Addendum to Amended and Restated Lease Agreement with AAR Aircraft Services, Inc. at Indianapolis Maintenance Center (IMC) – Resolution No. 05-2022

Background

AAR Aircraft Services, Inc. (AAR) entered into a new Lease Agreement in December 2020 for the continuation of their aircraft maintenance, repair, and overhaul services ("MRO"). AAR has performed these services at the Indianapolis Maintenance Center (IMC) facility since June 2004.

Highlights of the December 2020 Lease included:

- Term expiration ending on February 28, 2025, which is currently the end date of AAR's contractual relationship with the US Navy.
- The per square foot rental rate was reduced by 50%.
- In exchange for the reduction in the rental rate:
 - The Leased Premises was reduced to five hangars (Hangars 3B, 5A, 5B, 6A, and 6B) to which AAR is required to lease full-time.
 - Elimination of the hangar activation/deactivation process.
 - In the previous Lease, AAR had the option to extend the Lease Term at their sole discretion; however, in this new Restated Lease, the option to extend the Lease is by mutual agreement.

Scope

The purpose of the First Addendum is to allow temporary use by AAR of a sixth hangar (Hangar 2B) for a period of forty-five (45) days commencing June 17, 2022.

Schedule

June 17, 2022: Upon approval of the IAA Board of Directors of Resolution No. 05-2022 - the First Addendum to the Amended and Restated Lease Agreement with AAR.

Revenue and/or Operating Cost Implications Revenue

Revenue:

AAR will pay a total of \$74,147.18 for the use of Hangar 2B for a forty-five-day period.

- 50,118 sq. ft. @ \$12.00 p.s.f. charged as a daily rate.

Operating Cost:

The IAA is responsible for utilities and structural maintenance, repairs, and replacements. All other costs associated with electrical, heating, mechanical, and plumbing systems are the responsibility of AAR.

Supplier Diversity Participation

Not applicable.

Recommendation

The IAA Staff recommends the IAA Board of Directors consider for approval Resolution No. 05-2022 and the First Addendum to the Amended and Restated Lease Agreement with AAR Aircraft Services Inc., for the temporary use of Hangar 2B at the Indianapolis Maintenance Center commencing June 17, 2022, for a period of forty-five (45) days.



Indianapolis Airport Authority

IAA Board Meeting General Agenda June 17, 2022

General:

BP2022-06-03 **Consider for approval**, a Real Estate Sale Agreement with Steele Family Properties, LLC, for the IAA purchase of land and improvements located at 4191 West County Road 500 North in Hancock County, Indiana, to protect IAA's long-term strategy, future runway alignment and aviation development opportunities for a total purchase amount of \$2,994,278.40 and authorizing IAA Staff to complete the transaction.

Capital:

BP2022-06-04 **Consider for approval**, the award of contract to Otis Elevator Company for the operation and maintenance of the IAA's Conveyance System at the Indianapolis International Airport with an amount not to exceed \$5,645,589.50 for three years of service.

BP2022-06-05 **Consider for approval**, an award of contract for Parking Garage Expansion at the Indianapolis International Airport to Messer Construction Company in an amount not-to-exceed \$67,065,823.00 (a.k.a. GMP) plus an Owner's Contingency of \$4,000,000.00 for a total of \$71,065,823.00. Supplier diversity goal is a cumulative 28% comprised of MBE 15%, WBE 10% and VBE 3%.

BP2022-06-06 **Consider for approval**, Amendment No. 3 with Ghafari Associates, LLC for Cargo Building Expansion (Building #622) at Indianapolis International Airport in an amount not-to-exceed \$71,280.85. Supplier diversity participation is WBE 29.72% (The Etica Group, Inc.).

BP2022-06-07 **Consider for approval**, Amendment No. 2 with The Etica Group, Inc. for Consolidated Snow Removal Equipment and Materials Storage Facility, Phase II Design at Indianapolis International Airport in an amount not-to-exceed \$539,700.00. Supplier diversity participation is DBE 51.64%, (The Etica Group, Inc.), and WBE 52.19% (The Etica Group, Inc. and Repro Graphix, Inc.).



BOARD MEMO – REAL ESTATE SALE AGREEMENT

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: June 6, 2022

Board Date: June 17, 2022

Subject: Real Estate Sale Agreement with Steele Family Properties, LLC at Indianapolis Regional Airport

Background

The Indianapolis Airport Authority (IAA) staff have been working on a transaction at Indianapolis Regional Airport for the purchase of 57.60 acres from Steele Family Properties, LLC (“Seller”), located at approximately 4191 West County Road 500 North, Hancock County, Indiana (the “Site”).

The IAA has negotiated a Real Estate Sale Agreement (“Agreement”) for this property of \$51,984.00 per gross acre, or \$2,994,278.40 for the 57.60 acres.

This transaction is a result of IAA’s diligence in monitoring land sales activity in and around Indianapolis Regional Airport, as well as the protection of airport runways and the aircraft approach areas to those runways for the long-term interests of the IAA. More specifically and regarding the 1st Attachment, IAA staff have been working with representation for the Steele Family, whose land is shown/outlined in red dash while the two blue hatched areas in this attachment is the land associated with the purchase. The blue hatched areas encompass the 57.60 acres of the overall 145 acres owned by the Steele Family.

As the area around the airport and along the Mt. Comfort Road corridor is experiencing significant growth and development, this property could very well sell in the near term to another buyer. As IAA staff continue to work on the update to the Indianapolis Regional Airport Master Plan, this property could likely play a vital role in the airport’s long-term strategy, runway alignment, and aviation related development opportunities. In reference again to this 1st attachment, there is a distinct possibility and an outcome to the master planning effort, that Runway 16-34 (north/south runway) would have to be reoriented and possibly separated from the existing main Runway 7-25 for safety aspects/requirements of the FAA. A reorientation is shown in this 1st attachment in purple. The master planning effort will continue throughout 2022 with FAA review and approval tentatively planned in 2023.

A recent submarket report by CoStar indicates that as of 2020, the Hancock County submarket began an exponential growth spurt for industrial and commercial development and is now the Indianapolis area's most active development market. As of Q2-2022, there were 8.8 million square feet of warehousing/logistics space under construction, representing an unprecedented 64% of this submarket inventory. More than 60% of that space under construction is being developed speculatively.

To further depict the changing landscape of the area surrounding Indy Regional, attached to this Board Memo as a 2nd Attachment is an exhibit highlighting land parcels that have been sold or otherwise a change in ownership since 2011 (shown in yellow). The parcels circled in red represent those properties transferred since 2019.

Scope

To execute a Real Estate Sale Agreement with the Steele Family Properties, LLC for the purchase of the Site, consisting of approximately 57.60 acres, located at approximately 4191 West County Road 500 North in Hancock County, Indiana.

Schedule

- | | |
|-------------------|---|
| June 17, 2022 | Upon approval, IAA Board execution of the Real Estate Sale Agreement with Steele Family Properties, LLC. |
| June 22, 2022 | Within five (5) business days of the execution of the Real Estate Sale Agreement, IAA is to deliver earnest money in the amount of \$50,000.00 as designated within the Real Estate Sale Agreement. |
| December 19, 2022 | IAA has One Hundred Twenty (120) days and an option for two, thirty (30) day extensions from the execution of the Real Estate Sale Agreement as an Inspection Period. Closing on the land and improvements is to occur within thirty (30) days after the Inspection Period. |

Capital Expenditure:

\$2,994,278.40 or \$51,984.00/acre

Operating Costs:

Operating costs for this transaction will not exceed \$12,500.00 and are generally made up of appraisals, survey and environmental fees, recording fees, title work, and closing costs.

Supplier Diversity Participation

There is no MBE, WBE, or VBE spend on this particular transaction.

Recommendation

The IAA Staff recommends the IAA Board of Directors consider for approval a Real Estate Sale Agreement with Steele Family Properties, LLC, for the IAA purchase of land and improvements



Indianapolis Airport Authority

BOARD MEMO – CONTRACT AWARD

To: IAA Board of Directors

From: Keith Berlen, Senior Director of Operations and Public Safety

Date: June 6, 2022

Board Date: June 17, 2022

Subject: Approval of Contract with Otis Elevator Company for Conveyance System Maintenance at Indianapolis International Airport.

Background

The terminal and parking garage at Indianapolis International Airport contains Hydraulic Passenger Elevators, Hydraulic Freight Elevators, Traction Passenger Elevators, Escalators, and Power Walks aggregate total of 66 pieces of equipment. All public conveyance systems in the airport terminal are original to when the new terminal opened in 2008. Our service provider's existing operation and maintenance contract is a ten-year contract signed in October 2013. The equipment contains many parts and accessories, including, but not limited to, software, control systems, power units, rails, guides, hydraulic systems, controllers, electrical systems, doors, microprocessors, motors, safety systems, handrails, CPUs, safety relays, transformers, fuses, and transmissions.

The goal of the Indianapolis Airport Authority (IAA) is to ensure a safe and efficient travel experience for our passengers, and the conveyance systems are a critical element to that success. Another goal is to improve customer service and the reliability of our conveyance systems. The proposed contract would provide for **24/7/365 on-duty coverage** of personnel to operate and maintain our systems. The on-duty coverage is a considerable increase in the amount of coverage offered as the current contract provides for on-duty coverage ranging from 6 am to 6 pm, Monday through Friday.

This project seeks approval to initiate a new conveyance contract and cancel the current contract's remaining term. A Request for Proposal (RFP) for Conveyance was issued on October 15, 2021, with a bid submission deadline of November 18, 2021. IAA received five (5) bid submittals from a pool of 141 vendors notified and 16 potential bidders. The IAA's evaluation team reviewed the submittals to ensure they met the necessary specifications. Otis Elevator Company's bid had no significant exceptions. It was determined that the lowest responsive and responsible bidder is Otis Elevator Company, with a bid not to exceed \$5,645,589.50 for three years of service.

Scope

The project includes work and services as assigned by the IAA, including the furnishing of labor, material, equipment, supervision, tools, and all other items and facilities necessary to provide a Fully Comprehensive Coverage Option for the Conveyance Systems at IND.

Budget

Term Service Pricing:

YEAR	TOTAL COST FOR SERVICE TO BE PAID MONTHLY	TOTAL HOURS	HOURLY RATE
YEAR ONE	\$1,826,520.00	11,520	\$158.55
YEAR TWO	\$1,881,314.80	11,520	\$163.31
YEAR THREE	\$1,937,754.70	11,520	\$168.21

The contract bid amount is not to exceed \$5,645,589.50 for three years of service.

Schedule

Upon execution of the contract, it will become effective on August 1, 2022. It will expire July 31, 2025, with the option to be extended two additional years by written mutual consent of both parties unless terminated earlier according to the provisions set forth.

Supplier Diversity Participation

Due to the nature of the scope of work, there is no opportunity for supplier diversity participation in this purchase.

Recommendation

The IAA staff recommends that the IAA Board consider for approval the award of the contract to Otis Elevator Company for the operation and maintenance of the IAA's Conveyance System with an amount not to exceed \$5,645,589.50 for three years of service.



BOARD MEMO – CONTRACT AWARD

To: IAA Board of Directors

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

Date: June 6, 2022

Board Date: June 17, 2022

Subject: Award Construction Manager as Constructor Contract, with Guaranteed Maximum Price, to Messer Construction Company for the Parking Garage Expansion project at the Indianapolis International Airport (Project No. I-19-050)

Background

The Parking Garage at the Indianapolis International Airport is one of the largest open garages in the State of Indiana. The garage is a cast-in-place post-tensioned concrete structure commissioned with the opening of the terminal in 2008. The garage is currently used by the public and rental car companies.

Due to the continued growth of the rental car companies’ fleets and increased enplanements, the parking garage is being expanded to provide approximately 1,500 additional parking spaces, enhancing customer service for rental car customers and passengers and guests parking in the garage.

On June 14, 2019, the Indianapolis Airport Authority (IAA) issued a Request for Proposals to select a Construction Manager as Constructor (CMc) for the Parking Garage Expansion with responses due on July 18, 2019. Five (5) proposals were received. The IAA’s selection committee, comprised of five (5) IAA staff members, independently reviewed the proposals and subsequently interviewed all five (5) respondents on August 14 and 15, 2019. As a result of the interviews, the committee selected Messer Construction Company (Messer) as the best qualified to provide both Preconstruction and Construction phase CMc services for the project.

The IAA staff contracted with Messer as contractor and CSO, Inc. as designer for Preconstruction phase services in the Fall of 2019; however, those services were put on hold in the Spring of 2020 due to the Covid-19 Pandemic.

In the Fall of 2021, IAA staff re-engaged CSO, Inc. to complete construction documents and then worked with Messer to establish a final Guaranteed Maximum Price (GMP).

On May 27, 2022, the IAA staff received Messer’s GMP totaling \$67,065,823.00, which is comprised of:

- \$47,000.00 for additional Preconstruction Services
- \$1,917,980.00 for Messer’s staff during construction (“General Conditions”) which includes a commitment of \$539,120 for supplier diversity participation (28.11% of the projected staff spend)
- \$50,482,135.00 for the Base Bid
- Alternates \$14,428,262 (5th level canopy with solar panels)

The proposed GMP has been evaluated via an independent cost estimate performed by CSO Inc., as well as through reconciliation meetings with Messer and the IAA.

In addition to the contract amount, IAA staff is requesting an Owner’s Contingency of \$4,000,000.00 (approximately 8% of the Base Bid amount noted above) for this project. The Owner’s Contingency is for the Owner’s exclusive use to add scope to the project, pay for unanticipated costs incurred by the Construction Manager that are the Owner’s responsibility, or for other purposes that the Owner may designate; however, the Owner’s Contingency is not part of the GMP.

Scope

Construct an additional five (5) levels of parking on the north side of the existing garage, providing an additional 1,500 parking spaces. Additionally, Alternates Nos. 1 and 4 include constructing a canopy over the upper level of the expansion and installing a solar array over the canopy to provide power to the garage.

Budget

The Messer contract of \$67,065,823.00 and the Owner’s Contingency of \$4,000,000.00 have been included in the reforecast 2022 Capital Budget for Parking Garage Expansion.

Parking Garage Expansion

Total Contract Amount (GMP)	\$	67,065,823.00
Owner's Contingency		4,000,000.00
Design (including survey, testing, preconstruction, mgmt		2,595,709.00
Anticipated Inspection/Testing/Management)		3,000,000.00
Total Anticipated Project Cost	\$	76,661,532.00

This project will be debt-funded; however, the debt service will be funded using Customer Facility Charges.

This project is being undertaken as part of a broader program to improve the parking operations, thereby enhancing the IAA customer experience; therefore, this project is exempt under the IAA’s hurdle rate policy.

Supplier Diversity Participation

The supplier diversity participation goal established for this project is 28% comprised of MBE 15%, WBE 10% and VBE 3%.

Recommendation

The IAA Staff recommends the IAA Board of Directors consider for approval an award of contract for Parking Garage Expansion at the Indianapolis International Airport to Messer Construction Company in an amount not-to-exceed \$67,065,823.00 (a.k.a. GMP) plus an Owner's Contingency of \$4,000,000.00 for a total of \$71,065,823.00. Supplier diversity goal is a cumulative 28% comprised of MBE 15%, WBE 10% and VBE 3%.



Indianapolis Airport Authority

BOARD MEMO – AMENDMENT

To: IAA Board of Directors

From: Jarod Klaas, Senior Director of Planning & Development

Date: June 6, 2022

Board Date: June 17, 2022

Subject: Approve Amendment No. 3 with Ghafari Associates, LLC for Cargo Building Expansion at Indianapolis International Airport (Project No. I-18-028)

Background

The Cargo Building (Bldg. #622) located at Indianapolis International Airport serves as the receiving and distribution center for cargo shipped in the holds of passenger aircraft. The volume of cargo processed through the building has increased steadily since Building #622 was constructed in 2009 and has exceeded the capacity of the existing 40,000 square-foot facility. The Indianapolis Airport Authority’s (IAA’s) Properties Department has determined a 50% increase in building space is required to meet current and near-term cargo volumes.

On December 14, 2018, the IAA Board approved and executed a Professional Service Contract with Ghafari Associates, LLC to provide design services for the Cargo Building Expansion.

On November 11, 2019, the IAA Board approved Amendment No. 1 to provide additional design services for the Cargo Building Expansion.

Bid documents were completed in March 2020 and the project was put on hold at the beginning of the COVID-19 pandemic.

On March 23, 2022, the Senior Director of Operations and Public Safety executed a Time Only Extension per the Delegation of Authority from the IAA Executive Director.

Scope

The scope of the Amendment No. 3 includes efforts to restart the project, including verifying updates to codes and standards, applying updated utility standards and details, and resubmittal for required state permits and FAA reviews.

Budget

The Ghafari Associates, LLC Amendment No. 3 is \$71,280.85, which is within the approved 2022 Capital Budget for Cargo Building Expansion (Building #622).

This project will be 100% Airport cash funded.

This project will expand the existing Building #622 facility to maintain the ability to meet airline demand and it will generate additional revenue for the Indianapolis Airport Authority. The internal rate of return for this project is 14.05%.

Schedule

This amendment does not change the term of the contract. The contract with Ghafari Associates, LLC expires on December 31, 2024, to allow for the completion of as-builts and project closeout.

Supplier Diversity Participation

The following is the supplier diversity participation for this amendment:

Firm	Amount			%		
	MBE	WBE	VBE	MBE	WBE	VBE
The Etica Group, Inc.	\$ -	\$ 21,184.10	\$ -	0.00%	29.72%	0.00%
Totals	\$ -	\$ 21,184.10	\$ -	0.00%	29.72%	0.00%

Contract Summary to Date

Contract/Amendment & Execution Date	Service & Term	Amount	Diversity Participation %		
			MBE	WBE	VBE
Original Contract December 14, 2018	Professional Services Term: 12/14/18 - 3/5/21	\$ 369,530.39	2.85%	20.23%	13.38%
Amendment No. 1 November 15, 2019	Professional Services Term Extended: 3/31/2022	\$ 114,465.47	24.60%	52.82%	0.00%
Amendment No. 2 TOE March 23, 2022	Professional Services Term Extended: 12/31/2024	\$ -	-	-	-
Amendment No. 3 June 17, 2022	No Change	\$ 71,280.85	0.00%	29.72%	0.00%
Revised Contract NTE		\$ 555,276.71	6.97%	28.16%	10.23%

Recommendation

The IAA Staff recommends that the IAA Board of Directors consider for approval Amendment No. 3 with Ghafari Associates, LLC for Cargo Building Expansion (Building #622) at Indianapolis International Airport in an amount not-to-exceed \$71,280.85. Supplier diversity participation is WBE 29.72% (The Etica Group, Inc.).



Indianapolis Airport Authority

BOARD MEMO – AMENDMENT

To: IAA Board of Directors

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

Date: June 6, 2022

Board Date: June 17, 2022

Subject: Approve Amendment No. 2 with The Etica Group, Inc. for Consolidated Snow Removal Equipment (SRE) and Materials Storage Facility, Phase II Design at Indianapolis International Airport (Project No. I-15-031)

Background

In 2016, The Etica Group, Inc. (Etica) provided design for the Consolidated Snow Removal and Materials Storage Facility which consists of five major components:

- Main Snow Removal Equipment Storage Building (SRE Building)
- Fuel and Acetate Storage and Containment
- Deicing Materials Storage
- Recessed Loading Dock
- Salt Storage Building

In 2019, Phase I for the SRE Building was bid and construction was completed in September 2021.

On March 19, 2021, the IAA Board of Directors approved Amendment No. 1 with Etica to provide additional services for Phase I and make design revisions to Phase II to include the Fuel and Acetate facilities.

In 2021, Phase II of the Fuel and Acetate facilities was bid. IAA only received one bid and the project was placed on hold.

Scope

Design, bidding, and construction administration services to complete the remaining four components of the Consolidated SRE and Materials Storage Facility: Fuel and Acetate Storage and Containment, Deicing Materials Storage, Recessed Loading Dock, and Salt Storage Building.

Budget

The Etica Group Contract Amendment No. 2 is \$539,700.00, which is within the approved 2022 Capital Budget for Consolidated SRE and Materials Storage Facility.

This project is expected to be partially funded by Federal Aviation Administration (FAA) grant funds, with the remainder to be Airport cash funded.

This project is being undertaken to increase safety and 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 customer service as well as 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

The contract term will be extended by Amendment 2 to March 31, 2025, to complete design, construction administration, and a one-year warranty period for Phase II.

Supplier Diversity Participation

The following is the supplier diversity participation for this amendment:

Firm	Amount				%			
	DBE	MBE	WBE	VBE	DBE	MBE	WBE	VBE
The Etica Group, Inc.	\$ 278,680.00	\$ -	\$ 278,680.00	\$ -	51.64%	0.00%	51.64%	0.00%
Repro Graphix, Inc.	-	-	3,000.00	-	0.00%	0.00%	0.56%	0.00%
Totals	\$ 278,680.00	\$ -	\$ 281,680.00	\$ -	51.64%	0.00%	52.19%	0.00%

Contract Summary to Date

Contract/Amendment & Execution Date	Service & Term	Amount	Diversity Participation %			
			DBE	MBE	WBE	VBE
Original Contract October 14, 2019	Professional Services Term: 10/14/19 - 10/31/21	\$ 725,278.75	59.02%	8.79%	50.24%	3.06%
Amendment No. 1 March 19, 2021	Professional Services Term Extended: 3/31/23	\$ 582,841.00	56.28%	16.23%	51.32%	4.01%
Amendment No. 2 June 17, 2022	Professional Services Term Extended: 3/31/25	\$ 539,700.00	51.64%	0.00%	52.19%	0.00%
Revised Contract NTE		\$ 1,847,819.75	56.00%	8.57%	51.15%	2.47%

Recommendation

The IAA Staff recommends that the IAA Board of Directors consider for approval Amendment No. 2 with The Etica Group, Inc. for Consolidated Snow Removal Equipment and Materials Storage Facility, Phase II Design at Indianapolis International Airport in an amount not-to-exceed \$539,700.00. Supplier diversity participation is DBE 51.64%, (The Etica Group, Inc.), and WBE 52.19% (The Etica Group, Inc. and Repro Graphix, Inc.).