



Agenda  
Indianapolis Airport Authority  
April 15, 2016  
8:30 AM

- I. **Call to Order**
- II. **Approval of Minutes of the Pre-Board and Regular Meeting of March 18, 2016**
- III. **Ordinances, Resolutions and Public Hearings**
  - a) Public Hearing and TEFRA Hearing on [General Ordinance No. 1-2016](#), a Supplemental Ordinance of the Indianapolis Airport Authority authorizing the issuance and sale of one or more series of additional revenue bonds of said Authority, to be designated "Indianapolis Airport Authority Airport Revenue Bonds".
  - b) Consider for approval [General Ordinance No. 1-2016](#), a Supplemental Ordinance of the Indianapolis Airport Authority authorizing the issuance and sale of one or more series of additional revenue bonds of said Authority, to be designated "Indianapolis Airport Authority Airport Revenue Bonds".
  - c) Consider, for approval, [Resolution No. 3-2016](#), concerning the Delegations of Authority.
  - d) Consider, for approval, [Resolution No. 4-2016](#), updating the Indianapolis Airport Authority's MWVBE Business Diversity Participation Policy.
  - e) Consider, for approval, [Resolution No. 5-2016](#), concerning the implementation of a "Real Estate Committee" of the Board.
  - f) Consider, for approval, [Resolution No. 6-2016](#), concerning the implementation of a "Governance Committee" of the Board.
  - g) Consider, for approval, [Resolution No. 7-2016](#), updating the Business Expense & Travel Policy.
  - h) Consider, for approval, [Resolution No. 8-2016](#), adopting the Variable Rate Securities & Derivatives Policy.



**IV. Board Reports**

President's Report

**V. Official Actions**

Consider, for approval, the individual items listed on the IAA General Agenda, dated April 15, 2016.

**VI. Staff Reports**

Executive Director Report

**VII. Other Reports/Update**

**VIII. Board Communications**

*Next Meeting: Friday, May 20, 2016 @ 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 8:49 a.m., on March 18, 2016, in the Airport's Board Room at the Indianapolis International Airport.

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

Kelly Flynn, President  
Jean Wojtowicz, Vice President  
Alfred Bennett, Secretary  
Brett Voorhies, Member  
Mike Wells, Member  
Dr. Philip C. Borst, Member  
Jack T. Morton, Jr., Member  
Lynn T. Gordon, Member  
Steve Dillinger, Member

Rex M. Joseph, Jr., IAA Board Counsel

**IAA executive staff attending:**

Mario Rodriguez, 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. Executive Assistant/Recording Secretary

**APPROVAL OF MINUTES**

Upon a motion by Mr. Morton, seconded by Mr. Bennett and unanimously passed, approval was given to the Minutes of both the Pre-Board and Regular Meetings of February 19, 2016. Mr. Dillinger abstained from this vote, as he did not attend the February 19, 2016 meeting.

**ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS**

President Flynn introduced General Ordinance No. 1-2016 pertaining to authorization for the issuance and sale of one or more series of revenue bonds designated as "Indianapolis Airport Authority Refunding Airport Revenue Bonds, Series 2016".

President Flynn next described Resolution No. 2-2016, concerning the Fifth Amendment to the Lease Agreement with Cargolux Airlines International S.A. Upon a motion by Mr. Bennett, seconded by Ms. Wojtowicz and unanimously passed, approval was given to Resolution No. 2-2016.

## **BOARD REPORTS**

### **President's Report**

President Flynn shared a brief video from the 2016 St. Patrick's Day, which showed individuals playing bagpipes in the terminal at Indianapolis International Airport.

## **OFFICIAL ACTIONS**

**INTRODUCTION AND APPROVAL OF THE INDIANAPOLIS AIRPORT AUTHORITY'S GENERAL AGENDA, DATED March 18, 2016:** President Flynn 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:

**BP2016-03-2.** Upon a motion by Mr. Morton, seconded by Dr. Borst and unanimously passed, approval was given to BP2016-03-2.

**BP2016-03-3.** Upon a motion by Ms. Wojtowicz, seconded by Mr. Bennett and unanimously passed, approval was given to BP2016-03-3.

**BP2016-03-4.** Upon a motion by Dr. Borst, seconded by Mr. Wells and unanimously passed, approval was given to BP2016-03-4.

**BP2016-03-5.** Upon a motion by Ms. Wojtowicz, seconded by Mr. Bennett and unanimously passed, approval was given to BP2016-03-5.

**BP2016-03-6.** Upon a motion by Ms. Wojtowicz, seconded by Dr. Borst and unanimously passed, approval was given to BP2016-03-6.

**BP2016-03-7. ACTION #1.** Upon a motion by Mr. Morton, seconded by Dr. Borst and unanimously passed, approval was given to BP2016-03-7, ACTION #1.

**BP2016-03-7. ACTION #2.** Upon a motion by Ms. Wojtowicz, seconded by Mr. Dillinger and unanimously passed, approval was given to BP2016-03-7, ACTION #2.

## **STAFF REPORTS**

### **Executive Director's Report**

Mr. Rodriguez introduced Mr. Hafeedh Khemir, who is a Shuttle Bus Driver for the Indianapolis Airport Authority. Mr. Hafeedh Khemir was selected, out of 82 honorees, as a 2016 ROSE Award Recipient. ROSE Award honorees are true goodwill ambassadors for their employers and the City of Indianapolis. The mission of the ROSE Awards is to honor non-managerial hospitality employees who provide excellent customer service. This award is given by Visit Indy.

## **ADJOURNMENT**

President Flynn announced that the next IAA Board meeting is scheduled for April 15, 2016. There being no further business, the meeting was adjourned at 8:57 a.m.

**INDIANAPOLIS AIRPORT AUTHORITY \***

By: \_\_\_\_\_  
Kelly Flynn, President

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

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

DATED: \_\_\_\_\_

DRAFT



## **BOARD MEMO – BOND ORDINANCES**

To: IAA Board of Directors

From: Robert Thomson, Sr. Director of Financial Services/Treasurer

Date: April 5, 2016

Board Date: April 15, 2016

Subject: Final Hearing on General Ordinance No. 1-2016

The Indianapolis Airport Authority introduced General Ordinance No. 1-2016 on March 18, 2016 at the Authority's Board Meeting.

General Ordinance No. 1-2016 is a supplement to the IAA's Master Bond Ordinance, authorizing the issuance by IAA of one or more series of additional revenue bonds to refund a portion of IAA's outstanding revenue bonds (the 2006A Revenue Bonds). 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 April 15<sup>th</sup>, 2016 IAA Board meeting.

## BOARD MEMO – DELEGATIONS OF AUTHORITY

To: IAA Board of Directors

From: Joseph Heerens, General Counsel

Date: March 30, 2016

Board Date: April 15, 2016

Subject: Revision & Update of Resolution #6-2013: Delegations of Authority

### **Background**

Pursuant to Indiana Code § 8-22-3, the Board of the Indianapolis Airport Authority (“IAA”) has certain executive and legislative powers, including, without limitation, the power to: (i) adopt rules and procedures; (ii) determine matters of policy regarding internal organization and operations; (iii) supervise internal affairs; and (iv) employ personnel necessary to carry out the duties, functions and powers of the Board.

In June 2013, the IAA Board approved and adopted Resolution #6-2013 (the “Current Resolution”), which effectively consolidated a series of separate delegations adopted by the Board at different times during the period between 2009-2011 (e.g., Resolutions Nos. 10-2009, 11-2009, 14-2009, 8-2010 and 5-2011). The Board, after determining it was appropriate and efficient to do so, delegated to the Executive Director (including his/her designees) authority to sign certain contracts and other documents for and on behalf of the IAA. In addition, the IAA’s General Counsel, under this resolution, is required to provide monthly written reports to the Board which must list all of the contracts and other documents approved and signed by the IAA Executive Director (or his/her designees), including a brief summary of each document; and this process has kept the Board informed as to how the various delegated authorities are being exercised.

Having worked with and applied the various delegations of authority under the Current Resolution since June 2013, and also noting a recent change of Indiana law that went into effect on July 1, 2015, it is recommended that the Current Resolution be revised and updated in several respects. Accordingly, the proposed Resolution #1-2016 (the “New Resolution”) is based on the Current Resolution, with the proposed changes being summarized below and also shown by highlighting (in red) on the attached document:

1. **Section 1**: The proposed change would provide the Executive Director with the authority to sign short-term (up to 3 years) extensions of existing contracts, leases, and other documents that are listed in Section 1. Under the Current Resolution, a short-term document can be signed by the Executive Director, but

it cannot be extended beyond the maximum original term of five (5) years. As a result, if the parties desire to keep that arrangement in effect at the end of the original term, their only choice is to prepare, circulate and sign an entirely new document. This situation arises quite frequently, but it can be more efficiently administered and managed by authorizing the Executive Director to sign short-term (up to 3 years) extensions, all of which would be reported to the Board in the Monthly Delegated Authority Schedule.

2. **Section 3**: The proposed changes would provide the Executive Director with the authority to sign software license and hardware agreements (and related documents) that have an annual value of less than \$150,000. Because software license agreements and related documents (e.g., software maintenance agreements) typically are in effect until terminated by the user (in other words, they tend to be *perpetual* in duration), this category of document does not fall cleanly under any of the sections of the Current Resolution. Also proposed to be added are airport security agreements entered into with airport users.
3. **Old Section 5**: This section can be removed due to a change in Indiana law that went into effect on July 1, 2015, which repealed the common construction wage.
4. **New Section 5**: This new section would *reinstate* a delegation that expired on December 31, 2014, which authorized the Executive Director to enter into, and have the IAA participate in, cooperative purchasing arrangements created or established through a competitive process that is appropriate or permissible under the laws of the State of Indiana. The Board originally established and approved this delegation several years ago at its public meeting held on July 20, 2012, as explained in the Board Memo (BP2012-07-2) that was submitted in connection therewith.
5. **Section 7**: This new section would provide the Executive Director with the authority to utilize a special purchasing method under Indiana law when there exists, under emergency conditions, a threat to public health, welfare or safety, or when the purchase of the required supplies or services under a different purchasing method would seriously impair the functioning of IAA. For example, in these kinds of exigent circumstances, it could be absolutely necessary for immediate steps to be taken relative to serious operational issues or problems in order to keep the airport safe and open to the public, but the Board may not be able to call and/or hold a public meeting quickly enough to consider and authorize appropriate actions in response to an emergency. This delegation of authority to the Executive Director would empower him or her to take immediate steps to properly manage the situation, which would then be fully reported to the Board at its next meeting.

**Diversity Participation**

Not applicable.

**Recommendation**

IAA Management recommends the approval and adoption of Resolution No. 3-2016.



## **BOARD MEMO – BUSINESS DIVERSITY PARTICIPATION POLICY**

To: IAA Board of Directors

From: Holli Harrington, Director of Supplier Diversity

Date: March 8, 2016

Board Date: April 15, 2016

Subject: Minority Business Enterprise, Women Business Enterprise and Veteran Business Enterprise (MWVBE) Policy – Resolution No. 4-2016

### **Background**

The Indianapolis Airport Authority supplier diversity program includes minority (MBE), women (WBE) and veteran business (VBE) enterprises and is aligned to the City of Indianapolis and the State of Indiana MWVBE programs.

The City of Indianapolis Executive No. 5, 2008 and the State of Indiana Executive Order 13-04 established the Veteran Business Enterprise 3% utilization goal. The current IAA policy only includes Minority and Women Business Enterprises (MWBE), Resolution 13-2009.

This resolution incorporates Veteran Business Enterprise (VBE) in addition to Minority and Women Business Enterprises (MWBE) in order to update the IAA Business Diversity Participation Policy.

### **Recommendation**

Consider for adoption Resolution No. 4-2016, updating the IAA MWVBE Business Diversity Participation Policy.



## BOARD MEMO – CHARTER OF REAL ESTATE COMMITTEE

To: IAA Board of Directors

From: Joseph R. Heerens, General Counsel

Date: March 30, 2016

Board Date: April 15, 2016

Subject: Charter of IAA Real Estate Committee

### **Background**

As provided in Indiana Code § 8-22-3, the Board of the Indianapolis Airport Authority (“IAA”) may do all acts necessary or reasonably incident to carrying out the purposes of the Indiana Airport Authority Act, including, but not limited to, determining matters of policy regarding internal organization, adopting rules and procedures, and acquiring, leasing and selling real property. Under this statutory provision, the Board has the power to create committees and adopt written charters describing their responsibilities and how they will operate. Currently, there are three committees established by the Board, as follows: (1) Finance & Audit Committee; (2) Human Resources Committee; and (3) Reliever Airports Committee.

As a further improvement to the existing committee structure, it is being proposed, at the Board’s request, that a new real estate committee be established to provide advice and guidance with respect to the IAA’s goals, plans and objectives for Parcels 2-7 at the Indianapolis International Airport, and to review potential transactions (*e.g.*, sale and/or lease) and make recommendations to the Board in connection therewith (the “Real Estate Committee”). A copy of the proposed charter for the Real Estate Committee (also showing Parcels 2-7) is attached to this Board Memo (the “Charter”).

The Real Estate Committee would consist of at least three Board members appointed by the Board, meet at least four times each year (or more frequently, as necessary), and have appropriate authority to discharge its duties and responsibilities, all as more particularly described in the Charter. The Real Estate Committee would also have the obligation to annually review and evaluate its own performance against the requirements of the Charter, and to report the results thereof to the Board.

### **Action Item**

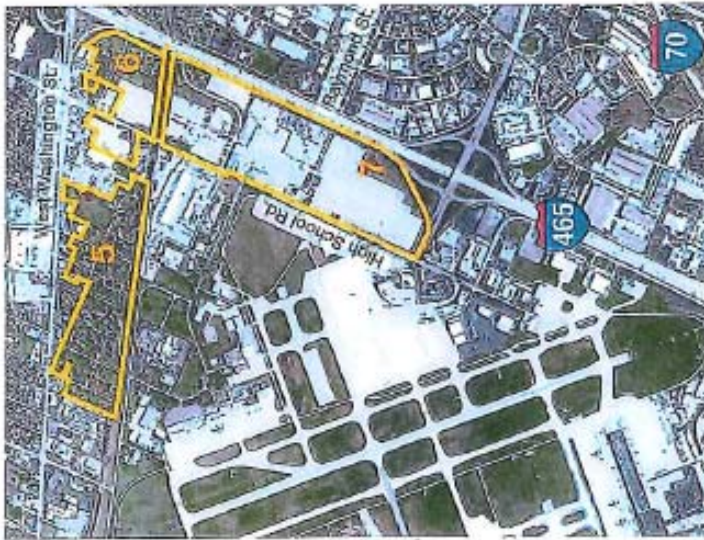
Consideration, for approval, of the Real Estate Committee Charter, Resolution No. 5-2016.

EXHIBIT A

AVAILABLE FOR NON-AVIATION DEVELOPMENT OPPORTUNITY



**Area 2 - (B-2)**  
**Parcel 2** 77 acres  
**Parcel 3** 67 acres  
**Parcel 4** 45 acres



**Area 1 - (B-1)**  
**Parcel 5** 77 acres  
**Parcel 6** 37 acres  
**Parcel 7** 105 acres



## **BOARD MEMO – CHARTER OF GOVERNANCE COMMITTEE**

To: IAA Board of Directors

From: Joseph R. Heerens, General Counsel

Date: March 30, 2016

Board Date: April 15, 2016

Subject: Charter of IAA Governance Committee

### **Background**

As provided in Indiana Code § 8-22-3, the Board of the Indianapolis Airport Authority (“IAA”) may do all acts necessary or reasonably incident to carrying out the purposes of the Indiana Airport Authority Act, including, but not limited to, determining matters of policy regarding internal organization and adopting rules and procedures. Under this statutory provision, the Board has the power to create committees and adopt written charters describing their responsibilities and how they will operate. Currently, there are three committees established by the Board, as follows: (1) Finance & Audit Committee; (2) Human Resources Committee; and (3) Reliever Airports Committee.

As a further improvement to the existing committee structure, it is being proposed, at the Board’s request, that a new governance committee be established that will function in an advisory capacity and be responsible for governance practices generally, including the development, review and revision of policies and procedures to ensure good governance of the IAA (the “Governance Committee”). A copy of the proposed charter for the Governance Committee is attached to this Board Memo (the “Charter”).

The Governance Committee would consist of at least three Board members appointed by the Board, meet at least four times each year (or more frequently, as necessary), and have appropriate authority to discharge its duties and responsibilities, all as more particularly described in the Charter. The Governance Committee would also have the obligation to annually review and evaluate its own performance against the requirements of the Charter, and to report the results thereof to the Board.

### **Action Item**

Consideration, for approval, of the Governance Committee Charter, Resolution No. 6-2016.



## **BOARD MEMO – BUSINESS EXPENSE & TRAVEL POLICY**

To: IAA Board of Directors

From: Robert Thomson, Sr. Director of Financial Services/Treasurer

Date: April 5, 2016

Board Date: April 15, 2016

Subject: Revised IAA Business Expense & Travel Policy

### **Background**

On October 15, 2010, the Indianapolis Airport Authority (“IAA”) adopted a new travel and business expense policy (the “Policy”), which is reviewed by the Finance and Audit Committee (“FAC”) annually and updated as required. February 20, 2015 the Board adopted the last modifications to the Policy. Attached hereto is a red-lined version of the Policy showing the changes FAC reviewed are recommending for consideration and approval by the Board.

There are several minor changes in the attached Policy.

Section 3 was enhanced to specifically define when an employee on company business away from IAA facilities is covered by workers compensation.

Section 4 was updated to anticipate no longer utilizing a travel agent service for the booking of travel by IAA administrative staff and eliminating monthly reporting.

Section 5 was updated to officially define that travel advances, which are very rarely used today, must in the future be approved by the highest levels of IAA management to be used by an IAA employee traveling. This option was going to be removed but there may be limited and legitimate reasons that develop in the future so the approval requirements were changed instead. Also, in Section 5 Travel Network Companies (“TNC”) such as Lyft or Uber added as allowable options to existing allowable modes of transport such as airport shuttles, and taxis. Finally clarification on was made on IAA’s insurance coverage for rental cars when used in the course of business.

### **Recommendation**

Consider approval of the IAA Business Expense & Travel Policy as updated and submitted.



## **BOARD MEMO –VARIABLE RATE POLICY**

To: IAA Board of Directors

From: Jean Wojtowicz, Finance and Audit Committee Chair

Date: April 7, 2016

Board Date: April 15, 2016

Subject: Variable Rate Securities and Derivatives Policy

### **Background**

On April 7, 2016 the Treasurer of Indianapolis Airport Authority (“IAA”) proposed a comprehensive policy on guidelines related to the use of Variable Rate Securities and debt related Derivative Agreements (“VRS/DA”) to the Finance and Audit Committee (“Committee”) for consideration.

The policies were developed with influence from the policy adopted by the Indianapolis Local Improvement Bond Bank, a prior informal policy of the Finance department of IAA and policies that exist at other airports that have adopted such a policy in conjunction with management of their debt portfolios.

The policy addresses the circumstances when short term debt, variable rate securities and/or derivative agreements can be considered for use, the basic principles related to monitoring and managing risks associated to VRS/DA, how counterparties and liquidity provider are to be chosen and the evaluation of risks required before entering into any VRS/DA. The Committee expects the policies as recommended for adoption will provide IAA staff with clear direction in areas of financial management and strategic focus in decision making.

### **Recommendation**

The Finance and Audit Committee have reviewed the Variable Rate Securities and Derivatives Policy and the Committee Chair requests that the Board adopt Resolution No. 8-2016.

**IAA Board Meeting  
General Agenda  
April 15, 2016**

**General:**

- BP2016-04-1** Consider for approval a Purchase Agreement with Anton Realty, LLC for the sale of approximately 17 acres referred to as the southern-most portion of land referred to as Parcel 6
- BP2016-04-2** Consider for approval proposed amendments to the current IND Airline Incentive Plan
- BP2016-04-3** Consider for approval the Independent Accountants' Report and Financial Statements of the Indianapolis Airport Authority for the years ending December 31, 2015 and 2014 as reviewed and recommended by the Finance and Audit Committee
- BP2016-04-4** Consider for approval an award of contract for website design and development to Trendy Minds, Inc. in an amount not-to-exceed \$188,000
- BP2016-04-5** Consider for approval the Fast Park & Relax Use Agreement and fee structure based on the 2016 Rates and Charges Ordinance



## **BOARD MEMO – PURCHASE AGREEMENT**

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: April 1, 2016

Board Date: April 15, 2016

Subject: IAA Land Use Initiative - Sale of Land via Purchase Agreement with Anton Realty, LLC

### **Background**

As a direct attribute of the IAA Land Use Initiative, IAA Staff has been diligently pursuing the sale of certain IAA lands, to include the land along High School Rd specifically referred to as Parcel 6. This Board Memo will describe the sale of approximately 17 acres generally located on the southern-most portion of parcel 6 directly north of the railroad tracks, (as shown on Attachment A) to Anton Realty, LLC, a subsidiary of Andy Mohr Automotive Group.

Governed by law of the State of Indiana on such land transactions, the IAA has to procure two separate appraisals for each section of land to be sold. These appraisals are then averaged and that dollar amount becomes the minimum price the IAA may sell land in any transaction. The sale price of the 17 acres meets the appraisal amount and represents Fair Market Value as guided by the FAA.

### **Land Sale Restrictions**

The conveying of the land to the Anton Realty, LLC will also include and contain the following perpetual land use restrictions (including noise disclosures and waivers, and avigation easement), which will run with the land at all times:

- The land will not be used for, or permit thereon, any type of paid parking for any types of vehicles, or as a taxi staging area;
- The land will not be used for, or permit thereon, any type of plant, utility, or other type of operation that emits, to any extent, smoke, fumes, vapors, or other similar gases;
- The title to the land will contain a "noise disclosure statement", an "avigation easement", as well as a waiver and release of all claims, actions, damages and liabilities, with respect to any and all noise, vibrations, particulates, or any other matters pertaining in any way, directly or indirectly, to the operation of an airport and/or aircraft; and

- No building or other structure shall be constructed or maintained at any time upon the land which exceeds the height restrictions designated or established by federal, state, or local laws, rules or regulations, or by avigation easement.

In addition, Anton Realty, LLC will work with the IAA on the design of the sites as it relates to wildlife attractants including stormwater detention and types of landscaping.

**Scope**

To execute a Purchase Agreement with Anton Realty, LLC for the sale of approximately 17 acres of land along High School Rd.

**Schedule**

March 30, 2016:	Anton Realty submits executed agreement for IAA Board approval
TBD	Within five (5) days of closing, Anton Realty, LLC is to deliver earnest money equal to One hundred thousand dollars (\$100,000) to an escrow agent as designated by IAA
TBD	From execution of Purchase Agreement, Anton Realty, LLC will have thirty (30) days in which to file a rezoning petition.
TBD	Closing of the sale of land is to occur within thirty (30) days after Inspection Period.

**Revenue and/or Operating Cost Implications**

**Revenue:**

\$1,318,768.00

**Operating Costs:**

N/A

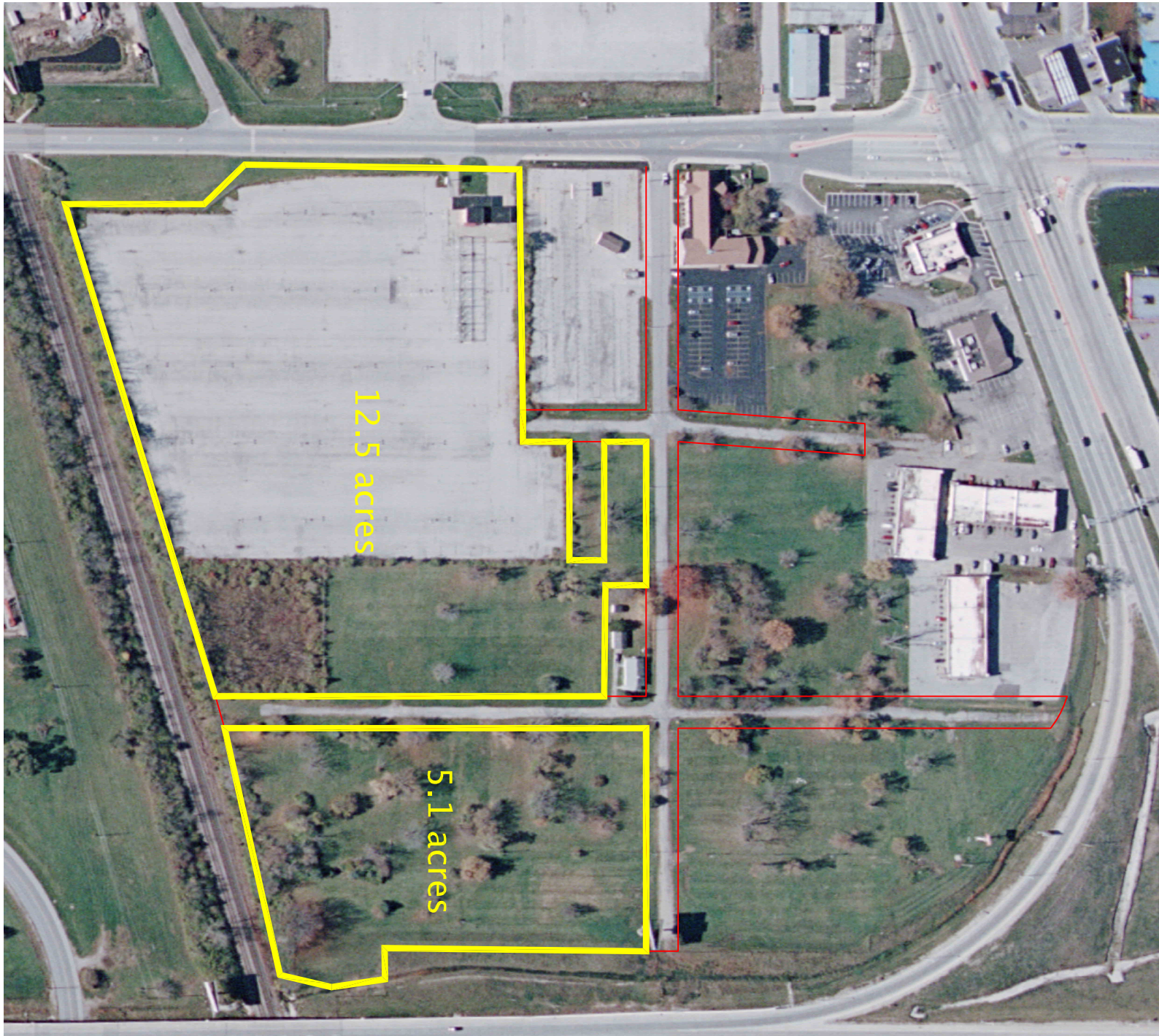
**Supplier Diversity Participation**

Not Applicable

**Recommendation**

Consider for approval a Purchase Agreement with Anton Realty, LLC for the sale of approximately 17 acres referred to as the southern-most portion of land referred to as Parcel 6.

EXHIBIT A





## **BOARD MEMO – AMEND AIRLINE INCENTIVE PLAN**

To: IAA Board of Directors

From: Marsha Stone, Sr. Director, Commercial Enterprise

Date: March 2, 2015

Board Date: April 15, 2015

Subject: Amendment to Airline Incentive Plan

### **Background**

In 2013 the Airline Incentive Plan was approved by the Board of Directors in an effort to enable the IAA to remain competitive with our peer markets as we engage with airlines to enter into the marketplace, add new or additional service or add new destinations. A recent review of updated incentive plans from Austin, Nashville and St. Louis has identified several competitive deficiencies, as a result, staff is proposing to make the following enhancements to the IND incentive plan that will clarify intent, but also help us remain competitive.

The three incentive categories staff is proposing to update are as follows:

- Underserved Passenger Market
- International Passenger Market
- Focus City Development – Passenger Market.

### **Proposed Scope of Changes:**

#### **UNDERSERVED PASSENGER MARKET:**

This incentive is a tool used to garner service to any one of IND's top 50 markets where scheduled capacity is less than origin & destination passenger demand.

#### **Current Incentive:**

Qualifying markets currently receive the following incentive in Year 1 for 4x weekly service:

- 50% of all landing fees waived
- 0.125% 'turn credit' towards annual terminal space rent per each daily qualified operation/flight to unique destination, total amount not exceeding \$100,000 per qualifying destination or 100% of annual lease fees, whichever is less.
- \$10,000 in marketing support

#### **Proposed Incentive:**

To better support an increase in total non-stop destinations currently offered, staff recommends decreasing the frequency requirement from four (4) flights per week to two (2) flights per week. All other eligibility requirements will remain the same.

**INTERNATIONAL SERVICE:**

As staff continues to more aggressively pursue international service, this incentive will be critical as we work to mitigate the estimated \$90M in annual operating costs a carrier incurs (on average) for international service.

Current Incentive:

Two year plan and offers the following:

Year 1

- All landing fees waived
- All remote overnight parking fees waived
- All international processing fees waived
- 0.25% 'turn credit' towards annual terminal space rent per qualified operation/flight, total amount dispersed not exceeding \$250,000 or 100% of annual lease fees, whichever is less
- \$50,000 in marketing support

Year 2

- 75% landing fees waived
- 75% remote overnight parking fees waived
- 75% international procession fees waived

Proposed Incentive:

IAA staff recommends extending all Year 1 incentives, with the exception of \$50,000 in marketing support, through the completion of Year 2. All existing requirements and eligibility will remain unchanged.

**FOCUS CITY DEVELOPMENT:**

This category was originally created to support a carrier's commitment to connecting IND to six (6) new nonstop destinations, two (2) of which could operate seasonally. The Focus City Development is the most robust incentive and reflects IAA's highest level of commitment for an airline willing to commit to six (6) new destinations over a two year period.

Current Incentive:

Two year plan and offers the following:

Year 1

- All landing fees waived
- 0.25% 'turn credit' towards annual terminal space rent per qualified operation/flight, total amount dispersed not exceeding \$250,000 or 100% of annual lease fees, whichever is less
- \$50,000 in marketing support

Year 2

- All landing fees waived

- 0.25% 'turn credit' towards annual terminal space rent per qualified operation/flight, total amount dispersed not exceeding \$250,000 or 100% of annual lease fees, whichever is less
- \$50,000 in marketing support

Proposed Incentive:

More clearly state that the incentive is capped at six (6) flights.

All other eligibility and wording to remain the same.

**Supplier Diversity Participation**

N/A

**Recommendation**

The IAA Staff recommends that the Board consider for approval proposed amendments to the current IND Airline Incentive Plan.



## **BOARD MEMO – 2015 AUDITED FINANCIAL STATEMENTS**

To: IAA Board of Directors

From: Robert Thomson, Sr. Director of Financial Services/Treasurer

Date: April 5, 2016

Board Date: April 15, 2016

Subject: 2015 Audited Financial Statements

### **Background**

Please accept the attached drafts, presented with an unmodified opinion, of the Independent Accountant's Report on Financial Statements and Supplementary Information for the Indianapolis Airport Authority for the years ending December 31, 2015 and 2014, as performed by the Authority's independent accounting firm, BKD, LLP. Also included is the draft audit management letter which is a required communication. Finalized reports that include the opinion date will be available the morning of the board meeting.

On April 7, 2015 the Authority's Finance and Audit Committee reviewed the statements and approved the recommendation for approval to the full Indianapolis Airport Authority Board.

### **Recommendation**

Consider for approval the Independent Accountants' Report and Financial Statements of the Indianapolis Airport Authority for the years ending December 31, 2015 and 2014 as reviewed and recommended by the Finance and Audit Committee.



## **BOARD MEMO – WEBSITE REDESIGN**

To: IAA Board of Directors  
From: Reid Goldsmith, Sr. Director of IT  
Date: April 12, 2016  
Board Date: April 21, 2016  
Subject: Website Redesign

### **Background**

As a part of an ongoing process to ensure IND is providing a world-class customer experience and to ensure IAA is continuing to communicate with customers and community stakeholders in the best ways possible, IAA staff undertook an initiative in late 2015 to ensure the IAA website was updated in both design and underlying technology. The then-existing website was designed and built more than 7 years ago and featured out-of-date designs, site structures, and supporting technologies.

In December 2015 the IAA issued an RFI for web design firms and received 21 responses. Trendy Minds Inc. was selected as the winning respondent. In the short term Trendy Minds was charged with quickly rolling out an updated site for passenger/customer facing information with a cleaner, responsive design to better match with more modern web design philosophies as well as to provide a better experience on mobile devices. This Phase I rollout was completed on March 22<sup>nd</sup>, 2016 under a contract with a value of \$35,000. This contract was amended for an additional \$12,000 for strategy and planning for the full website development.

### **Scope**

The scope of Phase II includes the inventory of current content and the organization of that content on the new website. It also includes design and creation of templates for the new site on traditional screen sizes and mobile screens. The most intensive part of phase two is the development and building of the website itself after the analysis and inventory. This work will include setting up of a Content Management System (CMS), development of the backend support for the site, content generation and template creation, blog migration, integration with Salesforce and IAA's Applicant Tracking System (ATS, or job postings site), analytics and tools setup, the launch of the site and revisions post-launch.

### **Budget**

The total not-to-exceed budget for Phase II is: **\$188,000.**

The total project budget including Phase I work completed is \$235,000.

The individual section not-to-exceed budgets are:

Content Inventory and Organization	\$47,000
Wireframes	\$30,000
Design	\$28,000
Development/Build	\$83,000

The project will be 100% airport cash funded.

**Supplier Diversity**

There is 0% supplier diversity in this award.

**Schedule**

The go-live date for the new website is expected by October 31<sup>st</sup>, 2016.

**Recommendation**

The IAA staff recommends the Board consider for approval an award of contract for website design and development to Trendy Minds, Inc. in an amount not-to-exceed \$188,000.



## **BOARD MEMO – FAST PARK & RELAX USE AGREEMENT**

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: March 10, 2016

Board Date: April 15, 2016

Subject: Fast Park & Relax Use Agreement

### **Background**

Fast Park & Relax began operating at IND in December 2013, with a fee structure of \$7.50 per shuttle bus trip, as defined in each year's Rates and Charges Ordinance, payable to the Authority on a monthly basis through the end of 2015. The Authority's 2016 Rates and Charges Ordinance, approved by the Board in December 2015, reflects a fee structure of 10% of gross sales for all off-Airport car parking operators beginning January 1, 2016. The fee structure approved for 2016 (10% of gross sales) is a standard methodology and rate found across the industry.

2016 Rates and Charges Ordinance Section B. Ground Transportation Agreement / Permit, and Fees, Section 1. (B):

'Such persons and entities engaged in off-Airport car parking shall pay a fee of ten percent (10%) of all sales and fees for the parking of vehicles, courtesy shuttle transportation, valet parking services, and other automobile services, including, but not limited to, the following:

1. Washing and waxing
2. Detailing or interior cleaning
3. Oil, lube, and filter
4. Bulb repair or replacement
5. Parking fees or charges
6. Other miscellaneous vehicle revenue for its customers arriving, departing or using Airport.

### **Revenue**

In 2015, the IAA billed Fast Park & Relax \$445,820 based off of a \$7.50 per trip fee. That equates to an estimated 13% of gross revenue. The predicted billing for 2016 will be \$342,950 based off billing 10% of Fast Park & Relax gross revenue.

### **Term**

The term will be for one year with a month to month agreement after one (1) year.

**Supplier Diversity Participation**

Not applicable.

**Recommendation**

The IAA Staff recommends that the Board consider for approval the Fast Park & Relax Use Agreement and fee structure based on the 2016 Rates and Charges Ordinance.