



Agenda
Indianapolis Airport Authority
January 23, 2015
8:30 AM

- I. **Call to Order**
- II. **Approval of Minutes of the Pre-Board and Regular Meeting of December 19, 2014**
- III. **Election of Officers and Appointment of Legal Counsel**
- IV. **Ordinances, Resolutions and Public Hearings**
 - a) Consider, for approval, **Resolution No. 1-2015**, concerning the Fourth Amendment to Lease Agreement with Cargolux Airlines International S.A.
 - b) Consider, for approval, **Resolution No. 2-2015**, authorizing the execution of Amendment No. 1 to Lease Agreement with Chautauqua Airlines, Inc.
 - c) Public Hearing on **BP2015-01-1**, regarding the Real Estate Sale Agreement with SCP Developers, LLC, for the sale of 80.884 acres of land located in the northwest and southeast corners of Ronald Reagan Parkway and Stafford Road, Plainfield, IN.
- V. **Board Reports**

President's Report
- VI. **Official Actions**

Consider, for approval, the individual items listed on the IAA General Agenda, dated January 23, 2015.
- VII. **Staff Reports**

Executive Director Report
- VIII. **Other Reports/Update**
- IX. **Board Communications**

Next Meeting: Friday, February 20, 2015 @ 8:30 a.m.
- X. **Adjourn**

MINUTES
Board of Directors Meeting
Indianapolis Airport Authority

The Regular Meeting of the Indianapolis Airport Authority Board was called to order at 8:47 a.m., December 19, 2014, in the Airport's Board Room at the Indianapolis International Airport.

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

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

Rex M. Joseph, Jr., IAA Board Counsel

IAA executive staff attending:

Mario Rodriguez, Executive Director
Robert A. Duncan, Deputy 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. Flynn, seconded by Mr. Bennett and unanimously passed, approval was given to the Minutes of both the Pre-Board and Regular Meetings of November 21, 2014.

ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS

President Wells opened the public hearing and described General Ordinance No. 7-2014, outlining the rates and charges for the use of IAA airport facilities and services for 2015. President Wells asked if there were any comments or testimony. There being none, he asked for a motion. Upon a motion by Mr. Bennett, seconded by Mr. Flynn and unanimously passed, approval was given to General Ordinance No. 7-2014.

President Wells next opened the public hearing and described General Ordinance No. 8-2014, amending General Ordinance No. 6-2014 (which authorized the issuance and sale of one or more series of revenue bonds designated as "Indianapolis Airport Authority Refunding Airport Revenue Bonds, Series 2014"). President Wells asked if

there were any comments or testimony. There being none, he asked for a motion. Upon a motion by Ms. Wojtowicz, seconded by Mr. Morton and unanimously passed, approval was given to General Ordinance No. 8-2014.

President Wells next described Resolution No. 13-2014, pertaining to the Budget Appropriation Transfer. Upon a motion by Ms. Caswelch, seconded by Mr. Bennett and unanimously passed, approval was given to Resolution No. 13-2014.

President Wells next described Resolution No. 14-2014, concerning a certain Lease Agreement with AAR Aircraft Services, Inc. Upon a motion by Mr. Flynn, seconded by Mr. Bennett and unanimously passed, approval was given to Resolution No. 14-2014.

President Wells next described Resolution No. 15-2014, concerning a certain Supply Building Lease Agreement with AAR Aircraft Services, Inc. Upon a motion by Mr. Morton, seconded by Dr. Borst and unanimously passed, approval was given to Resolution No. 15-2014.

President Wells next described Resolution No. 16-2014, concerning the IAA's ACDBE Program. Upon a motion by Ms. Caswelch, seconded by Mr. Morton and unanimously passed, approval was given to Resolution No. 16-2014.

BOARD REPORTS

President's Report

President Wells congratulated Mr. Robert Duncan on his upcoming retirement from the IAA, and he also extended the appreciation of the IAA Board and the entire organization for his 42 years of outstanding service to the Indianapolis Airport Authority.

OFFICIAL ACTIONS

INTRODUCTION AND APPROVAL OF THE INDIANAPOLIS AIRPORT AUTHORITY'S GENERAL AGENDA, DATED DECEMBER 19, 2014: President Wells introduced and then verbally described each of the individual items listed on the General Agenda, after which he asked for separate motions of approval, as follows:

BP2014-12-1. Upon a motion by Ms. Caswelch, seconded by Ms. Wojtowicz and unanimously passed, approval was given to BP2014-12-1.

BP2014-12-2. Upon a motion by Mr. Flynn, seconded by Ms. Wojtowicz and unanimously passed, approval was given to BP2014-12-2.

BP2014-12-3 (APPROVAL #1). Upon a motion by Mr. Morton, seconded by Mr. Bennett and unanimously passed, approval was given to BP2014-12-3.

BP2014-12-3 (APPROVAL #2). Upon a motion by Mr. Flynn, seconded by Dr. Borst and unanimously passed, approval was given to BP2014-12-3.

BP2014-12-4. Upon a motion by Mr. Morton, seconded by Ms. Caswelch and unanimously passed, approval was given to BP2014-12-4.

BP2014-12-5. Upon a motion by Mr. Flynn, seconded by Ms. Caswelch and unanimously passed, approval was given to BP2014-12-5.

BP2014-12-6. Upon a motion by Mr. Bennett, seconded by Ms. Caswelch and unanimously passed, approval was given to BP2014-12-6.

STAFF REPORTS

Executive Director Report

Mr. Rodriguez announced that 25 members of the IAA's Staff recently participated in the "Million Meal Marathon" held on November 18, 2014, in which 1,008,000 meals were packed and prepared to be sent to local Indiana food banks for distribution.

Mr. Rodriguez next introduced Mr. Michael Medvescek, IAA Sr. Director of Operations, who announced that the IAA had successfully completed the recent FAA Part 139 Inspection with "no discrepancies", meaning that the IAA achieved a perfect score. Mr. Medvescek congratulated the IAA Staff for their outstanding efforts in this regard, and also recognized members of the Airport Fire Department, Airport Police Department and Airport Operations for their continuing commitment to excellence.

OTHER REPORTS

President Wells recognized a member of the public in attendance at this meeting, Mr. Paul Ash, who requested the opportunity to address the IAA Board. Mr. Ash presented his proposal that the IAA allow the placement of basketball goals in certain areas of the Terminal, wherein passengers and visitors would pay a nominal fee to shoot baskets and the money collected could be given to charity. President Wells thanked Mr. Ash for his proposal and indicated that it would be considered by the IAA.

ADJOURNMENT

President Wells announced that the next IAA Board meeting is scheduled for January 16, 2015. There being no further business, the meeting was adjourned at 9:08 a.m.

INDIANAPOLIS AIRPORT AUTHORITY *

By: _____
Michael W. Wells, President

By: _____
Alfred R. Bennett, Secretary

DATED: _____

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



BOARD MEMO – LEASE AGREEMENT

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: December 30, 2014

Board Date: January 23, 2015

Subject: Fourth Amendment to Lease Agreement and Board Resolution with Cargolux Airlines International S.A.

Background

Cargolux Airlines International S.A. (Cargolux) has three (3) weekly cargo flights that operate from the IMC. In combination with this flight activity, Cargolux has leased office space located at the IMC for their flight crews and administrative support since February 2006.

Scope

IAA Board adoption of Resolution No. 1-2015, authorizing the execution of the Fourth Amendment to Lease Agreement with Cargolux Airlines International, S.A.

IAA Staff requests the IAA Board execute the Fourth Amendment to Lease Agreement with Cargolux Airlines International S.A. to continue their occupancy for office space at the IMC. This Amendment is effective February 1, 2015 and terminates on January 31, 2016, with an additional option for one (1) year, thereby extending the termination date to January 31, 2017.

Schedule

January 23, 2015: Execution of Fourth Amendment to Lease Agreement and Board Resolution with Cargolux Airlines International S.A.

Revenue and/or Operating Cost Implications

Revenue:

Revenue for 930 square feet at \$5.75 per square foot is \$5,347.50 per year.

Operating Costs:

The IAA is responsible for the operating costs of the IMC; which such costs are built into the rental rate.

Supplier Diversity Participation

Not applicable.

Recommendation

Consider for approval Resolution No. 1-2015 and Fourth Amendment to Lease Agreement with Cargolux Airlines International S.A.

RESOLUTION NO. 1-2015

**RESOLUTION OF THE
INDIANAPOLIS AIRPORT AUTHORITY
APPROVING FOURTH AMENDMENT
CARGOLUX AIRLINES INTERNATIONAL S.A.**

WHEREAS, the Indianapolis Airport Authority (the "Authority") owns the Indianapolis Maintenance Center (the "IMC") at the Indianapolis International Airport (the "Airport") which was partially financed with the proceeds of Indianapolis Airport Authority Special Facility Revenue Bonds, Series 1995 (United Airlines, Inc.--Indianapolis Maintenance Center Project) (the "Bonds"); and

WHEREAS, since May 9, 2003, when United Airlines vacated the IMC and turned over possession of the IMC to the Authority, the Authority has been operating and maintaining the IMC in order to protect the IMC and maintain it in a leaseable condition; and

WHEREAS, the Authority has worked diligently since 2003 to evaluate the best reuse of the IMC including use of outside marketing professionals, evaluated the potential tenants that might be compatible with such reuse, evaluated the state of the market for the various facilities comprising the IMC, analyzed the rental rates currently borne by those markets and conducted a thorough search for new tenants; and

WHEREAS, the Authority and Tenant entered into a Lease Agreement dated February 3, 2006, providing for Tenant's occupancy of office space at the IMC; and

WHEREAS, the Authority Staff has reported to the members of the Board of the Authority on the progress of various efforts to relet the IMC and have updated the Board throughout the renegotiations with Cargolux Airlines International S.A. ("Cargolux" or the "Tenant"); and

WHEREAS, the Authority has come to agreement on the renewal terms of the Lease Agreement with Cargolux at the IMC; and

WHEREAS, the terms of the renewal amendment are consistent with the range of rents for similar space located in the IMC and market rates, demonstrating to the Authority that the Authority should not expect to negotiate a significantly more favorable lease for such space with any tenant than that negotiated with Cargolux;

NOW, THEREFORE, BE IT RESOLVED BY THE INDIANAPOLIS AIRPORT AUTHORITY AS FOLLOWS:

1. The Authority hereby finds that the Authority has used reasonable efforts to relet the applicable portion of the IMC for rentals equal to the full rental due from United Air Lines for such space and with terms and provisions substantially similar to those contained in the lease with United Air Lines, but the Authority has found no tenant or tenants who are willing to lease the entire IMC, who are willing and able to pay the full rental paid by United and who are

willing to pay the full operating cost of the IMC. Therefore, the Authority hereby finds that no United-like lease or leases can be executed.

2. The Authority has used its reasonable efforts to negotiate for the best available lease (for the portion of the IMC covered by the Lease) for generating projected total net rentals in light of then-prevailing market conditions and without materially reducing the expected total rentals over the term of the lease in return for commitments from Tenant for job creation or other concessions.

3. The Authority has determined that proceeding with a new Lease is a far superior option compared to continuing to fund operating expenses without a tenant in such space.

4. It is hereby found that the execution of a new Lease, as presented to this meeting, complies with the essential and governmental purposes and provisions of the Act and would be in the best interests of the Authority, the holders of the Bonds and the community of Indianapolis and Marion County.

5. The Authority hereby authorizes and directs the President, Vice President and/or the Secretary or the Assistant Secretary of the Authority to execute all collateral documents required for execution of a new Lease on behalf of the Authority.

6. If any provision of this Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability thereof shall not affect any of the remaining provisions of this Resolution.

Remainder of page intentionally left blank.

Adopted this _____ day of _____, 2015.

INDIANAPOLIS AIRPORT AUTHORITY*

Michael W. Wells, President

Alfred R. Bennett, Secretary

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

CERTIFICATE OF AUTHENTICITY

I, Alfred R. Bennett, Secretary of the Indianapolis Airport Authority Board of Directors, hereby certify that the foregoing is a true and correct copy Resolution No. 1-2015 adopted by the Indianapolis Airport Authority Board on the _____ day of _____, 2015.

Alfred R. Bennett, Secretary

INDIANAPOLIS AIRPORT AUTHORITY



BOARD MEMO – AMENDMENT NO. 1 & CONSENT TO ASSIGNMENT AND ASSUMPTION OF LEASE

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: December 30, 2014

Board Date: January 23, 2015

Subject: Amendment No. 1 to Lease Agreement and Consent to Assignment and Assumption of Lease with Board Resolution for Chautauqua Airlines, Inc.

Background

Chautauqua Airlines, Inc. (Chautauqua) has leased hangars 7A and 7B at the Indianapolis Maintenance Center (IMC) to support their aircraft maintenance, repair and overhaul services since April 2005. Amendment No. 1 exercises Chautauqua's first option for a five year renewal term. As well, the Amendment also provides an opportunity to modify/update language within the Lease. Lastly, Chautauqua has also elected to assign this Lease to their sister company, Shuttle America Corporation.

Scope

IAA Board adoption of Resolution No. 2-2015, authorizing the execution of Amendment No. 1 to Lease Agreement with Chautauqua Airlines, Inc. and consent to Assignment and Assumption of Lease from Chautauqua Airlines, Inc. to Shuttle America Corporation.

IAA Staff requests the IAA Board execute Amendment No. 1 to the Lease with Chautauqua Airlines, Inc. to continue their occupancy for hangar and support space at the IMC along with consenting to the Assignment and Assumption of Lease to Shuttle America Corporation. This Amendment is effective April 15, 2015 and terminates on April 14, 2020, with an additional option for one term of five years, and if exercised, will extend the termination date to April 14, 2025.

Schedule

January 23, 2015: Execution of Amendment No. 1 to Lease Agreement and consent to Assignment and Assumption of Lease with Board Resolution for Chautauqua Airlines, Inc.

Revenue and/or Operating Cost Implications

Revenue:

Annual revenue is \$1,027,779.76, and is based on 110,469 square feet at \$9.04 per square foot; along with 62,000 square feet of parking space at \$.47 per square foot.

Note: The Lease rate for the hangar leasehold is currently being charged at \$8.64 per square foot.

Operating Costs:

The IAA is responsible for the operating costs of the IMC; which such costs are built into the rental rate.

Supplier Diversity Participation

Not applicable.

Recommendation

Consider for approval Resolution No. 2-2015 and Amendment No. 1 to Lease Agreement with Chautauqua Airlines, Inc.

Consider for approval the Assignment and Assumption of Lease from Chautauqua Airlines, Inc. to Shuttle America Corporation.

RESOLUTION NO. 2-2015

**RESOLUTION OF THE
INDIANAPOLIS AIRPORT AUTHORITY
APPROVING AMENDMENT NO. 1 &
ASSIGNMENT FOR CHAUTAUQUA AIRLINES, INC.**

WHEREAS, the Indianapolis Airport Authority (the "Authority") owns the Indianapolis Maintenance Center (the "IMC") at the Indianapolis International Airport (the "Airport") which was partially financed with the proceeds of Indianapolis Airport Authority Special Facility Revenue Bonds, Series 1995 (United Airlines, Inc.--Indianapolis Maintenance Center Project) (the "Bonds"); and

WHEREAS, since May 9, 2003, when United Airlines vacated the IMC and turned over possession of the IMC to the Authority, the Authority has been operating and maintaining the IMC in order to protect the IMC and maintain it in a leaseable condition; and

WHEREAS, the Authority has worked diligently since 2003 to evaluate the best reuse of the IMC including use of outside marketing professionals, evaluated the potential tenants that might be compatible with such reuse, evaluated the state of the market for the various facilities comprising the IMC, analyzed the rental rates currently borne by those markets and conducted a thorough search for new tenants; and

WHEREAS, the Authority and Tenant entered into a Lease Agreement dated March 18, 2005, providing for Tenant's occupancy of a portion of hangar and support space of the IMC; and

WHEREAS, the Authority Staff has reported to the members of the Board of the Authority on the progress of various efforts to relet the IMC and have updated the Board throughout the renegotiations with Chautauqua Airlines, Inc. ("Chautauqua" or the "Tenant"); and

WHEREAS, the Authority has come to agreement on the renewal terms of the Lease Agreement with Chautauqua at the IMC; and

WHEREAS, the Authority agrees to consent to the Assignment and Assumption of Lease from Chautauqua Airlines, Inc. to its sister company Shuttle America Corporation; and

WHEREAS, the terms of the renewal amendment are consistent with the range of rents for similar space located in the IMC and market rates, demonstrating to the Authority that the Authority should not expect to negotiate a significantly more favorable lease for such space with any tenant than that negotiated with Chautauqua;

NOW, THEREFORE, BE IT RESOLVED BY THE INDIANAPOLIS AIRPORT AUTHORITY AS FOLLOWS:

1. The Authority hereby finds that the Authority has used reasonable efforts to relet the applicable portion of the IMC for rentals equal to the full rental due from United Air Lines for such space and with terms and provisions substantially similar to those contained in the lease with United Air Lines, but the Authority has found no tenant or tenants who are willing to lease the entire IMC, who are willing and able to pay the full rental paid by United and who are willing to pay the full operating cost of the IMC. Therefore, the Authority hereby finds that no United-like lease or leases can be executed.

2. The Authority has used its reasonable efforts to negotiate for the best available lease (for the portion of the IMC covered by the Lease) for generating projected total net rentals in light of then-prevailing market conditions and without materially reducing the expected total rentals over the term of the lease in return for commitments from Tenant for job creation or other concessions.

3. The Authority has determined that proceeding with a new Lease is a far superior option compared to continuing to fund operating expenses without a tenant in such space.

4. It is hereby found that the execution of a new Lease, as presented to this meeting, complies with the essential and governmental purposes and provisions of the Act and would be in the best interests of the Authority, the holders of the Bonds and the community of Indianapolis and Marion County.

5. The Authority hereby authorizes and directs the President, Vice President and/or the Secretary or the Assistant Secretary of the Authority to execute all collateral documents required for execution of a new Lease on behalf of the Authority.

6. If any provision of this Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability thereof shall not affect any of the remaining provisions of this Resolution.

Remainder of page intentionally left blank.

Adopted this _____ day of _____, 2015.

INDIANAPOLIS AIRPORT AUTHORITY*

Michael W. Wells, President

Alfred R. Bennett, Secretary

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

CERTIFICATE OF AUTHENTICITY

I, Alfred R. Bennett, Secretary of the Indianapolis Airport Authority Board of Directors, hereby certify that the foregoing is a true and correct copy Resolution No. 2-2015 adopted by the Indianapolis Airport Authority Board on the _____ day of _____, 2015.

Alfred R. Bennett, Secretary

INDIANAPOLIS AIRPORT AUTHORITY



BOARD MEMO – PURCHASE AGREEMENT

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: December 31, 2014

Board Date: January 23, 2015

Subject: IAA Land Use Initiative - Sale of Land via Purchase Agreement with SCP Developers, LLC

Background

As a direct attribute of the IAA Land Use Initiative, IAA Staff has been diligently pursuing the sale of certain IAA lands along Ronald Reagan Parkway. This Board Memo will describe the sale of a total of 80.884 acres (22.1 acres of land in the northwest corner and 58.784 acres in the southeast corner of Ronald Reagan Parkway and Stafford Road) to SCP Developers, LLC (SCP). SCP is a local developer with a large presence in Plainfield, Indiana, particularly in the Ronald Reagan Parkway vicinity. This property is the first section of land to be sold from the IAA's Land Use Initiative inventory.

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 80.884 acres meets and exceeds the appraisal amount.

Land Sale Restrictions

The conveying of the land to SCP 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, SCP will work with the IAA on design of the sites as it relates to wildlife attractants including stormwater detention and types of landscaping.

Scope

To execute a Purchase Agreement with SCP Developers, LLC for the sale of 80,884 acres of land along Ronald Reagan Parkway.

Schedule

December 19, 2014:	IAA Board executed a Letter of Intent with SCP Developers, LLC.
December 29, 2014:	IAA Staff issued Public Notice of impending sale of land to SCP Developers, LLC.
January 23, 2015:	Execution of the Purchase Agreement with SCP Developers, LLC.
TBD	From execution of Purchase Agreement, SCP will have thirty (30) days in which to file a rezoning petition.
TBD	From the date of filing the rezoning petition, SCP will have one hundred twenty (120) days in which to receive approval of rezoning. SCP Inspection Period will run parallel with this timeframe covering standard due diligence matters as is common in commercial real estate transactions.
TBD	Closing of the sale of land is to occur within thirty (30) days after Inspection Period.

Revenue and/or Operating Cost Implications

Revenue:

The negotiated sale of the 80.884 acres of land is at \$100,000.00 per acre for a total sale price of eight million eighty eight thousand four hundred dollars (\$8,088,400.00).

Operating Costs:

N/A

Supplier Diversity Participation

Not Applicable

Recommendation

The IAA staff recommends that the Board consider for approval a Purchase Agreement with SCP Developers, LLC for the sale of 22.1 acres of land in the northwest corner and 58.784 acres in the southeast corner of Ronald Reagan Parkway and Stafford Road for a total of 80.884 acres.

IAA Board Meeting
General Agenda
January 23, 2015

General:

BP2015-01-2 Consider for approval the Agreement & Lease of Premises with Allegiant Air, LLC, for a period of approximately eleven (11) months commencing January 23, 2015 and terminating December 31, 2015

Capital Program:

BP2015-01-3 Consider for approval an award of contract for IMC Lighting System Improvements at the Indianapolis International Airport, Project # I-14-028, to SmartWatt Energy, Inc. in an amount not-to-exceed \$717,950.00. Supplier diversity participation on this contract is MBE 16.58% (First Electric Supply, Atec Electric, and B & S Electric Supply), WBE 2.99% (Universal Tool & Supply), and VBE 2.04% (Argo Consulting Engineers and Worldwide Filters)

BP2015-01-4 Consider for approval a professional services contract with Roy D. McQueen and Associates, Ltd. for Airfield Pavement Evaluation and Management Plan Update at Indianapolis International Airport, Project # I-15-003, in an amount not-to-exceed \$189,466.00 (fees) and \$12,364.00 (expenses) for a total not-to-exceed amount of \$201,830.00. Supplier diversity participation on this contract is DBE 89.63% (Roy D. McQueen and Associates, Ltd., GeoSolutions, Inc., Parsons, Cunningham & Shartle Engineers, Inc.), MBE 85.21% (Roy D. McQueen and Associates, Ltd., GeoSolutions, Inc.), WBE 5.16% (Parsons, Cunningham & Shartle Engineers, Inc., White Security, Repro Graphix, Inc.), and VBE 2.62% (B&R Consulting, LLC)

BP2015-01-5 Consider for approval the revised budget and a professional services contract with Kimley-Horn and Associates, Inc. for Airfield Electrical Replacement – Preliminary Design at Indianapolis International Airport, Project # I-15-004, in an amount not-to-exceed \$178,410.00 (fees) and \$6,590.00 (expenses) for a total not-to-exceed amount of \$185,000.00. Supplier diversity participation on this contract is DBE 37.33% (Journey Engineering, LLC, NAVAID Lighting Associates, Inc., Shrewsberry & Associates, LLC, VS Engineering, Inc.), MBE 21.87% (Shrewsberry & Associates, LLC, VS Engineering, Inc.), WBE 12.00% (Journey Engineering, LLC, Repro Graphix, Inc.), and VBE 19.27% (Shrewsberry & Associates, LLC)

BP2015-01-6

Consider for approval a professional services contract with Durham Engineering, Inc. for Rehabilitate Airport Roads and Parking Lots 2015 at Indianapolis International Airport, Project # I-15-017, in an amount not-to-exceed \$242,250.00 (fees) and \$1,000.00 (expenses) for a total not-to-exceed amount of \$243,250.00. Supplier diversity participation on this contract is MBE 69.72% (Durham Eng., Shrewsberry, Geo Solutions, Eilts Consulting), WBE 1.23% (ReproGraphix), and VBE 14.86% (Shrewsberry, Percept Surveying)



BOARD MEMO – AGREEMENT & LEASE OF PREMISES

To: IAA Board of Directors
From: Marsha Stone, Sr. Director of Commercial Enterprise
Date: December 29, 2014
Board Date: January 23, 2015
Subject: Agreement & Lease of Premises with Allegiant Air, LLC

Background

Allegiant Air, LLC (Allegiant) provides commercial air service traditionally to vacation destinations, offering the traveling public a competitive low-cost for air travel. This past November, Allegiant announced non-stop service from Indianapolis to New Orleans, Las Vegas, and three south Florida destinations (St. Petersburg/Clearwater, Orlando/Sanford and Punta Gorda/located between Ft. Myers and Sarasota). Services are to commence February 5, 2015.

Allegiant has elected to execute a signatory agreement for their ticket counter, office space; along with one gate, hold room and apron facilities in Concourse B for their flight operations.

Additionally, Allegiant put a bid out for their above and below wing services at Indianapolis. There were numerous responses and the successful bidder was Quantem Aviation Services. Allegiant is currently partnering with Quantem for these services at Greensboro, NC. With Quantem's above and below wing services, there is the opportunity for additional revenue, as Quantem will be required to execute a use permit and pay ten percent (10%) of their revenues to the IAA.

Scope

To execute the Agreement & Lease of Premises with Allegiant Air, LLC. The lease term is for approximately eleven months, commencing January 23, 2015 and terminating December 31, 2015.

Schedule

January 23, 2015: Execution of Agreement & Lease of Premises with Allegiant Air, LLC.

February 5, 2015: Inaugural flight between IND – MSY.

Revenue and/or Operating Cost Implications

Revenue:

Revenue over the 2015 term is estimated to be \$1,185,872.56, less applicable air service incentive credits per IAA's Air Service Incentive Program.

Operating Costs:

IAA will incur no incremental operating costs.

Supplier Diversity Participation

Not applicable.

Recommendation

The IAA staff recommends that the Board consider for approval the Agreement & Lease of Premises with Allegiant Air, LLC, for a period of approximately eleven (11) months commencing January 23, 2015 and terminating December 31, 2015.



BOARD MEMO – CONTRACT AWARD

To: IAA Board of Directors

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

Date: January 6, 2015

Board Date: January 23, 2015

Subject: Award of Construction Contract for IMC Lighting System Improvements at Indianapolis International Airport, Project # I-14-028, to SmartWatt Energy, Inc.

Background

The Indianapolis Maintenance Center (IMC) Lighting System Improvements project at Indianapolis International Airport (IND) is replacing inefficient lighting fixtures at the IMC with newer, energy-efficient lighting. This project is being undertaken as part of an overall program to reduce expenses at the IMC as part of an effort to lease certain IMC hangars at a market rate.

Successful relighting projects providing significant energy savings at the IMC have been completed for the hangar bays in 2011 and for several small work areas in late 2013. This project will address most of the remaining lighting inside and outside the IMC, primarily T8 fluorescents in the hallways and walkways of the structure and the apron and parking lights on the property. When this project is complete, the hangar area break rooms, corridors, general offices, restrooms, shop areas, storage areas and automatic apron lighting at the IMC will be upgraded.

In addition, the contractor has provided unit costs for replacement lighting in classrooms, conference/training rooms, hardstand, perimeter, exterior roadway, and other lighting that were designed, but not able to be included within this project's budget. This project is anticipated to be eligible for energy savings rebates. It is anticipated that these rebates will be used to complete some of the designed lighting at the proposed unit prices not accommodated in the project budget. Once the amount of the rebate is known, a change order to be funded from the rebates will be presented to the Board for consideration.

The Indianapolis Airport Authority issued a Request for Proposals for Lighting System Improvements at the IMC on September 15, 2014, with proposals due on October 20, 2014.

On October 20, 2014, the IAA staff received two proposals. The proposals were reviewed based on the business and technical proposals, proposed price, experience,

firm's financial strength, and supplier diversity participation. This contract consists of the best and final offer from SmartWatt Energy, Inc. in the amount of \$717,950.00.

The other approved contract for this project is a professional services contract with Ghafari Associates, LLC approved by the Executive Director on May 23, 2014 for design services through construction phase. Ghafari Associates, LLC was selected through a qualifications based request for proposals.

Scope

The scope of work for the IMC Lighting System Improvements includes activities required for the modification and/or replacement of lighting systems in areas not previously improved at the IMC.

Budget

The construction contract is \$717,950.00, which is within the reforecast 2014 spend as reviewed in the approved 2015 Capital Budget for IMC Lighting System Improvements.

IMC Lighting System Improvements

Contract Amount	\$ 717,950.00
Design	57,800.00
Total Anticipated Project Cost	\$ 775,750.00

This project will be 100% Airport cash funded.

This project is expected to reduce energy consumption by approximately 2.5 million KWH per year with an associated savings of more than \$200,000; as a result the expected payback period is less than four years. The combination of savings on the cost of energy and revenue associated with a new lease is expected to exceed the IAA's hurdle rate. Given the uncertainty of the value of the associated lease with this project and the interconnectedness of this project with other cost-reduction efforts at the IMC, no standalone hurdle rate has been calculated.

Schedule

Contract award anticipated January 23, 2015 and the substantial completion date is expected to be May 2015.

Supplier Diversity Participation

The Director of Supplier Diversity has approved the following:

FIRM	AMOUNT			%		
	MBE	WBE	VBE	MBE	WBE	VBE
First Electric Supply	\$ 23,809.00	\$ 0.00	\$ 0.00	3.32	0.00	0.00
B & S Electric Supply	20,220.00	0.00	0.00	2.82	0.00	0.00
Universal Tool & Supply	0.00	21,460.00	0.00	0.00	2.99	0.00
Worldwide Filters	0.00	0.00	11,748.00	0.00	0.00	1.64
Atec Electric	75,000.00	0.00	0.00	10.45	0.00	0.00
Argo Consulting Engrs	0.00	0.00	2,880.00	0.00	0.00	0.40
Totals	\$119,029.00	\$21,460.00	\$14,628.00	16.58	2.99	2.04

Recommendation

The IAA staff recommends that the Board consider for approval an award of contract for IMC Lighting System Improvements at the Indianapolis International Airport, Project # I-14-028, to SmartWatt Energy, Inc. in an amount not-to-exceed \$717,950.00. Supplier diversity participation on this contract is MBE 16.58% (First Electric Supply, Atec Electric, and B & S Electric Supply), WBE 2.99% (Universal Tool & Supply), and VBE 2.04% (Argo Consulting Engineers and Worldwide Filters).



BOARD MEMO – CONTRACT

To: IAA Board of Directors

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

Date: January 6, 2015

Board Date: January 23, 2015

Subject: Approval of Professional Services Contract with Roy D. McQueen and Associates, Ltd. for Airfield Pavement Evaluation and Management Plan Update at Indianapolis International Airport, Project # I-15-003

Background

Per Federal Aviation Administration (FAA) Grant Assurance C-11, airports seeking federal grant funding are required to implement “an effective airport pavement maintenance-management program” in order to maintain eligibility for federal funding.

The purpose of this airfield pavement evaluation and management plan update for Indianapolis International Airport (IND) is to meet the regulatory grant assurances and to provide airport management and engineering staff with objective data on the structural capacity and condition of airport pavements and to identify options for pavement rehabilitation and strengthening where needed. This study will use nondestructive and destructive testing to evaluate the existing pavement condition and develop a management plan.

The pavement evaluation and management plan will also be used to develop a 10 year Capital Improvement Program (CIP) budget in support of requests for federal aid as part of FAA’s Airport Improvement Program (AIP) and provide data and guidelines for cost effective decisions about pavement maintenance and rehabilitation.

On August 22, 2014, the IAA issued a qualifications based Request for Proposals (RFP) per Federal Aviation Administration (FAA) requirements to select a designer for this project, with responses due on September 18, 2014. Six proposals were received. A review committee made up of five IAA representatives reviewed and ranked the proposals. Roy D. McQueen and Associates, Ltd. was ranked highest by the committee to meet this project’s design requirements.

The most recent pavement evaluation was conducted in 2012. Several rehabilitation projects have been completed since that study. Also, IND has experienced some severe winter weather that impacts deterioration rates.

Scope

This project will evaluate all movement area pavements (runways and taxiways), new and old terminal apron, International Arrivals apron, Eagle Hub apron, Indianapolis Maintenance Center apron, and tug roads at IND, prioritize a plan for rehabilitation or reconstruction of those pavements, and estimate costs associated with those rehabilitation or reconstruction efforts.

More detailed evaluation is included for Runway 14-32 as it is anticipated to be a significant rehabilitation project in the short term. This higher level of analysis for this pavement will allow for more detailed estimate of project scope and costs.

Friction and roughness testing along with a profile evaluation will be performed on all runways at IND as a part of this study. Data obtained will be used to maintain good runway profiles as IND’s runway pavements age and rehabilitation projects occur.

Budget

The Roy D. McQueen and Associates, Ltd. contract is \$201,830.00, which is within the approved 2015 Capital Budget for Airfield Pavement Evaluation and Management Plan Update.

The funding for this project is anticipated to be 75% FAA grant funds and 25% Airport cash funded. If it does not receive FAA grant funding in 2015 due to other priorities at IND, it is eligible to be reimbursed with grant funds in future years.

This project is required to continue to meet FAA Grant Assurances. The project supports future rehabilitation of existing infrastructure integral to the continued operation of the airport. As a result of the regulatory requirement and the 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 January 23, 2015 with a completion date of December 31, 2015 to allow for completion of 2015 airfield pavement projects and finalization of the evaluation and project report.

Supplier Diversity Participation

The Director of Supplier Diversity has approved the following:

Firm	Amount				%			
	DBE	MBE	WBE	VBE	DBE	MBE	WBE	VBE
Roy D. McQueen and Associates, Ltd.	\$ 153,797.00	\$ 153,797.00	\$ -	\$ -	76.20%	76.20%	0.00%	0.00%
B&R Consulting, LLC	-	-	-	5,280.00	0.00%	0.00%	0.00%	2.62%
GeoSolutions, Inc.	18,180.00	18,180.00	-	-	9.01%	9.01%	0.00%	0.00%
PCS Engineers, Inc.	8,918.00	-	8,918.00	-	4.42%	0.00%	4.42%	0.00%
White Security	-	-	896.00	-	0.00%	0.00%	0.44%	0.00%
Repro Graphix, Inc.	-	-	600.00	-	0.00%	0.00%	0.30%	0.00%
Totals	\$180,895.00	\$171,977.00	\$10,414.00	\$5,280.00	89.63%	85.21%	5.16%	2.62%

The IAA staff recommends that the Board consider for approval a professional services contract with Roy D. McQueen and Associates, Ltd. for Airfield Pavement Evaluation and Management Plan Update at Indianapolis International Airport, Project # I-15-003, in an amount not-to-exceed \$189,466.00 (fees) and \$12,364.00 (expenses) for a total not-to-exceed amount of \$201,830.00. Supplier diversity participation on this contract is DBE 89.63% (Roy D. McQueen and Associates, Ltd., GeoSolutions, Inc., Parsons, Cunningham & Shartle Engineers, Inc.), MBE 85.21% (Roy D. McQueen and Associates, Ltd., GeoSolutions, Inc.), WBE 5.16% (Parsons, Cunningham & Shartle Engineers, Inc., White Security, Repro Graphix, Inc.), and VBE 2.62% (B&R Consulting, LLC).



BOARD MEMO – CONTRACT

To: IAA Board of Directors

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

Date: January 6, 2015

Board Date: January 23, 2015

Subject: Approval of Professional Services Contract with Kimley-Horn and Associates, Inc. for Airfield Electrical Replacement - Preliminary Design at Indianapolis International Airport, Project # I-15-004

Background

This project will provide data needed to prepare the Indianapolis International Airport (IND) for the transition from existing airfield electrical technology to more efficient Light Emitting Diode (LED) technology.

Existing airfield electrical infrastructure is close to the end of its useful/design life. Newer, more efficient, technology has the potential to save the Indianapolis Airport Authority (IAA) time and money through fewer maintenance needs and lower energy usage.

This professional services contract will provide for the evaluation of the existing system, development of phased implementation plan options, and cost estimating.

On August 22, 2014, the IAA issued a qualifications based Request for Proposals (RFP) per Federal Aviation Administration (FAA) requirements to select a designer for this project, with responses due on September 18, 2014. Seven proposals were received. A review committee made up of five IAA representatives reviewed and ranked the proposals. Kimley-Horn and Associates, Inc. was ranked highest by the committee to meet this project’s design requirements.

Budget

The Kimley-Horn and Associates, Inc. contract is \$185,000.00, which is within the revised 2015 Capital Budget for Airfield Electrical Replacement – Preliminary Design, and approved by the Executive Management Team.

Base Contract (fees + expenses)	\$177,057.00
Additional Services ¹ (fees)	<u>\$ 7,943.00</u>
	\$185,000.00

¹ The contract with Kimley-Horn and Associates, Inc. includes \$7,943.00 for additional services that will only occur if authorized by the IAA if there is a need for additional study in a specific area found during the evaluation process.

The funding for this project is expected to be 75% FAA grant funds and 25% Airport cash funded. If it does not receive grant funding in 2015 due to other priorities at IND, it is eligible to be reimbursed in future years.

The project is being undertaken to plan the rehabilitation of existing infrastructure that is 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 resulting projects 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

The term of this contract will begin on **January 23, 2015** upon Board approval and conclude **December 31, 2015**.

Supplier Diversity Participation

The Director of Supplier Diversity has approved the following:

FIRM	AMOUNT				%			
	DBE	MBE	WBE	VBE	DBE	MBE	WBE	VBE
Journey Engineering, LLC	\$20,750	\$ 0	\$20,750	\$ 0	11.22%	0.00%	11.22%	0.00%
NAVAID Lighting Associates, Inc.	7,848	0	0	0	4.24%	0.00%	0.00%	0.00%
Repro Graphix, Inc.	0	0	1,450	0	0.00%	0.00%	0.78%	0.00%
Shrewsberry & Associates, LLC	35,657	35,657	0	35,657	19.27%	19.27%	0.00%	19.27%
VS Engineering, Inc.	4,797	4,797	0	0	2.59%	2.59%	0.00%	0.00%
Totals	\$69,052	\$40,454	\$22,200	\$35,657	37.33%	21.87%	12.00%	19.27%

Recommendation

The IAA staff recommends that the Board consider for approval the revised budget and a professional services contract with Kimley-Horn and Associates, Inc. for Airfield Electrical Replacement – Preliminary Design at Indianapolis International Airport, Project # I-15-004, in an amount not-to-exceed \$178,410.00 (fees) and \$6,590.00 (expenses) for a total not-to-exceed amount of \$185,000.00. Supplier diversity participation on this contract is DBE 37.33% (Journey Engineering, LLC, NAVAID Lighting Associates, Inc., Shrewsberry & Associates, LLC, VS Engineering, Inc.), MBE 21.87% (Shrewsberry & Associates, LLC, VS Engineering, Inc.), WBE 12.00% (Journey Engineering, LLC, Repro Graphix, Inc.), and VBE 19.27% (Shrewsberry & Associates, LLC).



BOARD MEMO – CONTRACT

To: IAA Board of Directors

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

Date: January 6, 2014

Board Date: January 23, 2014

Subject: Approval of Professional Services Contract with Durham Engineering, Inc. for Rehabilitate Airport Roads and Parking Lots 2015 at Indianapolis International Airport, Project # I-15-017

Background

The Indianapolis Airport Authority (IAA) owns and maintains approximately 23 miles of roads and 110 acres of parking lots at Indianapolis International Airport (IND). More than 50% of the roads were constructed before 1990. During 2011, a pavement evaluation and management plan was prepared for the IAA to use as a tool to cost effectively manage the roadway pavements to maximize their useful life. A similar plan was developed for the parking lots in 2013. The 2015 Airport Roads and Parking lots is a combination of three capital projects to implement the 2015 work as part of these management plans. The projects are being executed as one project for economies of scale in execution and oversight.

The Rehabilitate Airport Roads and Parking Lots 2015 project consists of:

- Rehabilitate Airport Roads – 2015: localized rehabilitation and crack sealing of midfield access roads including South Service Road, South Access Road, and North Access Road, and repairs to Weir Cook Drive shoulders. Localized rehabilitation and crack sealing of the perimeter roads including New Haven Drive and Hoffman Road, and addressing erosion issues along West Perimeter Road near the bridge and access roads between Weir Cook and North and South Service Roads
- Rehabilitate Airport Lots – 2015: localized rehabilitation and crack sealing of the employee, police, Airport Operations Center/Emergency Operations Center (AOC/EOC), and limo/taxi parking lots including strengthening the section of the employee lot near the PARCS building where the shuttle buses park.
- Rehabilitate High School Road, Rehabilitate Roads 2014, and Replace Republic Entrance was a combined 2014 project. Due to the competitive bid environment

at the time the project was bid, no bids were received. A portion of the work including limited localized rehabilitation to High School Road, manhole repair, and crack sealing on perimeter roads was accomplished via change orders to existing projects with similar work scope. The balance of the work on High School Road and the replacement of the Republic entrance will be accomplished as part of the 2015 project.

After the 2015 project construction is accomplished, the 2011 roadway and 2013 parking lot management plan will be reviewed and updated for work accomplished and the current condition of the pavements to identify the priorities for at least the next five years.

The IAA issued a qualifications based Request for Proposals (RFP) to select a designer for the 2014 project. Durham Engineering, Inc. (Durham) was ranked highest by the committee to meet the 2014 project's design requirements. With the rollover of 2014 plans into the 2015 project and the similar scope of the 2015 project to the 2014 project, Durham was selected for 2015 project.

Scope

The scope of work of the professional services contract with Durham includes: repackaging the uncompleted 2014 work into the 2015 project; investigation and design of repairs to the Weir Cook Drive shoulders; design of erosion repairs, mill and overlay of New Haven Drive, localized repair and crack sealing of midfield access and perimeter road systems, and localized repair and crack sealing of parking lots including bid and construction phases administration services. The scope of work also includes the update to the pavement management plans.

Budget

The Durham Engineering, Inc. professional services contract is \$243,250.00, which is within the approved combined 2015 Capital Budget for Rehabilitate Airport Roads and Parking Lots 2015.

This project will be 100% Airport cash funded.

This project is being undertaken to repair existing infrastructure that is integral to the continued operation of the airport. As a result of the critical nature of the repairs, 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 on **January 23, 2015** with a completion date of **March 31, 2016** to complete as-built drawings and project closeout documentation.

Supplier Diversity Participation

The Director of Supplier Diversity has approved the following:

Firm	Amount			%		
	MBE	WBE	VBE	MBE	WBE	VBE
Durham Eng. Inc.	\$114,910.00	\$0.00	\$0.00	47.24%	0.00%	0.00%
Shrewsberry	32,139.00	0.00	32,139.00	13.21%	0.00%	13.21%
Geo Solutions	17,550.00	0.00	0.00	7.21%	0.00%	0.00%
Eilts Consulting	5,000.00	0.00	0.00	2.06%	0.00%	0.00%
Percept Surveying	0.00	0.00	4,000.00	0.00%	0.00%	1.64%
ReproGraphix	0.00	3,000.00	0.00	0.00%	1.23%	0.00%
Total	169,599.00	3,000.00	36,139.00	69.72%	1.23%	14.86%

Recommendation

The IAA staff recommends that the Board consider for approval a professional services contract with Durham Engineering, Inc. for Rehabilitate Airport Roads and Parking Lots 2015 at Indianapolis International Airport, Project # I-15-017, in an amount not-to-exceed \$242,250.00 (fees) and \$1,000.00 (expenses) for a total not-to-exceed amount of \$243,250.00. Supplier diversity participation on this contract is MBE 69.72% (Durham Eng., Shrewsberry, Geo Solutions, Eilts Consulting), WBE 1.23% (ReproGraphix), and VBE 14.86% (Shrewsberry, Percept Surveying).

