



Agenda  
Indianapolis Airport Authority  
May 15, 2015  
8:30 AM

**I. Call to Order**

**II. Approval of Minutes of the Pre-Board and Regular Meeting of April 17, 2015**

**III. Ordinances, Resolutions and Public Hearings**

Consider for approval **Resolution No. 9-2015** concerning the disposition of IMC assets via Private Sale to Dallara, LLC and Comlux America, LLC

**IV. Board Reports**

President's Report

**V. Official Actions**

Consider, for approval, the individual items listed on the IAA General Agenda, dated May 15, 2015.

**VI. Staff Reports**

Executive Director Report

**VII. Other Reports/Update**

**VIII. Board Communications**

*Next Meeting: Friday, June 19<sup>th</sup>, 2015 @ 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 8:33 a.m., April 17, 2015, 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  
Jack T. Morton, Jr., Member  
Steve C. Dillinger, Member  
Brett Voorhies, Member  
Jean L. Wojtowicz, Member  
Lynn T. Gordon, Advisory 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. Dillinger, seconded by Mr. Bennett and unanimously passed, approval was given to the Minutes of both the Pre-Board and Regular Meetings of March 20, 2015.

**BOARD REPORTS**

**President's Report**

None.

**OFFICIAL ACTIONS**

**INTRODUCTION AND APPROVAL OF THE INDIANAPOLIS AIRPORT AUTHORITY'S GENERAL AGENDA, DATED APRIL 17, 2015:** 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:

**BP2015-04-1.** Upon a motion by Ms. Wojtowicz, seconded by Mr. Dillinger and unanimously passed, approval was given to BP2015-04-1.

**BP2015-04-2.** Upon a motion by Mr. Flynn, seconded by Mr. Voorhies and unanimously passed, approval was given to BP2015-04-2.

**BP2015-04-3.** Upon a motion by Mr. Bennett, seconded by Mr. Morton and unanimously passed, approval was given to BP2015-04-3.

**BP2015-04-4.** Upon a motion by Mr. Dillinger, seconded by Mr. Flynn and unanimously passed, approval was given to BP2015-04-4.

**BP2015-04-5.** Upon a motion by Mr. Morton, seconded by Ms. Wojtowicz and unanimously passed, approval was given to BP2015-04-5.

**BP2015-04-6.** Upon a motion by Mr. Bennett, seconded by Mr. Morton and unanimously passed, approval was given to BP2015-04-6.

**BP2015-04-7.** Upon a motion by Mr. Dillinger, seconded by Mr. Morton and unanimously passed, approval was given to BP2015-04-7.

**BP2015-04-8.** Upon a motion by Mr. Flynn, seconded by Ms. Wojtowicz and unanimously passed, approval was given to BP2015-04-8.

## **STAFF REPORTS**

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

Mr. Rodriguez introduced Mr. Medvescek, who provided a report on the recent NCAA Men's Final Four Basketball Tournament held in Indianapolis on April 4-6, 2015.

Mr. Rodriguez next asked Ms. Stone to announce an award from Airport Revenue News (ARN). The Indianapolis International Airport recently received an award from ARN entitled "Airport with the Best Overall Concession Program". ARN awards celebrate the achievements of exceptional airports that are driving innovation within concessions.

Mr. Rodriguez also announced that the Indianapolis International Airport received the prestigious "ACI Director General's Roll of Excellence Award". To qualify for inclusion, an airport must have been ranked within the top five airports in the world for five out of the last six years (2009-2014). Also joining the Indianapolis International Airport in this elite group are Gimpo International Airport (Seoul) and Chhatrapati Shivaji International Airport (Mumbai).

Lastly, Mr. Rodriguez introduced several people who have recently joined the IAA team: (a) Mr. Jeff Dutton, who is the new Manager, Communications & Customer Excellence; and (b) Mr. Mark Busalacci, who is the new Director of Business Development.

**ADJOURNMENT**

President Wells announced the next IAA Board meeting is scheduled for May 15, 2015. There being no further business, the meeting was adjourned at 8:44 a.m.

**INDIANAPOLIS AIRPORT AUTHORITY \***

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

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

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

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

DRAFT



## BOARD MEMO – LEASE AGREEMENT

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: April 29, 2015

Board Date: May 15, 2015

Subject: Disposition of IMC Tooling & Equipment Assets

### **Background**

In 2010, in accordance with the Bondholder Settlement Agreement between the Indianapolis Airport Authority (Authority) and The Bank of New York Trust Company (Trustee), the IAA staff began a tool lease program as a way to generate additional revenue for the IMC. The program has served companies not associated with the IMC to fulfill one-time tooling needs or as a stop gap until a permanent tooling solution can be put in place. The lease agreements are of varying duration and tend to be for specialty tools that typically are not readily available on the open market or that otherwise would require capital investment to purchase. The duration of these agreements can range from a few hours, to a few days, to several months or multiple years.

Two such lease opportunities were entered into with Dallara, LLC and Comlux America, LLC. These agreements have been ongoing since 2011 and consist of surplus assets that have been returned by AAR Aircraft Services (AAR) to the Authority as these assets were no longer needed by AAR. These assets are further detailed in Exhibit A and should be considered as aged equipment as virtually all have an age of 20+ years.

Pursuant to current State statute regarding the disposal of assets by a municipality, these assets can be disposed of via Private Sale contingent upon the current estimated value of the asset(s) being sold. Under this statute one (1) item can be sold via Private Sale as long as the estimated value is less than one thousand dollars (\$1,000), and more than one (1) item can be sold with an estimated value of less than five thousand dollars (\$5,000).

### **Scope**

IAA Staff is requesting IAA Board adoption of Resolution No.9-2015, authorizing the disposition of IMC assets via Private Sale to Dallara, LLC and Comlux America, LLC, as detailed in Exhibit A.

### **Schedule**

May 15, 2015: Approval of Resolution No. 9-2015, authorizing the disposal of IMC assets via Private Sale.

June 1, 2015: Asset disposition to Comlux America, LLC via Private Sale.

June 1, 2015: Asset disposition to Dallara, LLC via Private Sale.

**Revenue and/or Operating Cost Implications**

**Revenue:**

To date the IAA, from the two leases, has received in excess of \$74,000 in revenue. The Private Sale creates an additional \$5,753 in revenue.

The estimated value of the assets is derived by a review of previous asset sales via auction as averaged.

IAA will continue to lease other equipment to Dallara, as a separate transaction until such time as the parties agree that a Private Sale would be mutually beneficial.

**Operating Costs:**

No additional costs are incurred to support this resolution.

**Supplier Diversity Participation**

Not applicable.

**Recommendation**

The IAA Staff recommends the Board consider for approval Resolution No. 9-2015 concerning the disposition of IMC assets via Private Sale to Dallara, LLC and Comlux America, LLC.

**RESOLUTION NO. 9-2015**

**RESOLUTION OF THE  
INDIANAPOLIS AIRPORT AUTHORITY  
APPROVING DISPOSITION OF IMC TOOLING & EQUIPMENT ASSETS  
VIA PRIVATE SALE**

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 has found that IMC tenants have no further interest in certain equipment assets at the IMC due to age, or quantity on hand and these assets creating a pool of surplus assets; and

WHEREAS, the Authority entered into separate Lease Agreements with Dallara, LLC and Comlux America, LLC (together the "Lessees") dating back to September 2011, providing for Lessee's possession and use of a certain number of the surplus assets; and

WHEREAS, the Lessees have expressed interest in outright ownership of all or a portion of the surplus assets they currently possess under Leases; and

WHEREAS, the Authority has come to agreement on the terms for disposing of a number of the surplus assets via Private Sale to the Lessees;

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

1. The Authority hereby finds that the assets listed on the attached Exhibit "A" are excess and/or obsolete and should be disposed of via Private Sale.
2. The Authority hereby finds that this asset disposition is in the long-term interest of marketing the remaining portions of the IMC and generating total Net Rentals from the IMC.

3. The Authority hereby determines to sell the assets as an Asset Account Disposition under the Settlement Agreement and to deposit all of the proceeds received from the sale of such IMC assets into the Asset Account held by BMO Global Asset Management.

4. It is hereby found that the sale of certain assets, as presented in this meeting, complies with the essential and governmental purposes and provisions of the Act and would be in the best interests of the Authority and the holders of the Bonds.

5. The Authority hereby authorizes and directs the staff of the Authority to do all things necessary to carry out such sale 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.

7. This Resolution shall take effect immediately upon passage.

Remainder of page intentionally left blank.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

INDIANAPOLIS AIRPORT AUTHORITY\*

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Michael W. Wells, President

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Alfred R. Bennett, Secretary

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

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. 4-2015 adopted by the Indianapolis Airport Authority Board on the \_\_\_\_\_ day of \_\_\_\_\_, 2015.

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Alfred R. Bennett, Secretary

INDIANAPOLIS AIRPORT AUTHORITY

IAA Board Meeting  
General Agenda  
May 15, 2015

General:

**BP2015-05-1** Consider for approval and execute a Foreign Trade Zone Operator Agreement with Silver Foam Distribution Co

**BP2015-05-2** Consider for approval amendment #2 to the contract with Trillion Aviation LLC for financial consulting services in an amount not to exceed \$233,290 (DBE 29.2% Airmac LLC)

Capital Program:

**BP2015-05-3** Consider for approval an award of contract for Apron Storm Water Inlet Repairs, Phase II at Indianapolis International Airport, Project No. I-14-004, to Davis & Associates, Inc. in an amount not-to-exceed \$565,172.60 plus a 3% construction reserve of \$16,955.18 for a total of \$582,127.78. Davis & Associates, Inc. was the lowest responsive and responsible bidder. Supplier diversity participation on this contract is MBE 84.89% (Davis & Associates, Inc., Barber Construction), WBE 3.01% (Nubian Transport, Indiana Sign & Barricade), and VBE 12.10% (American Global Management)

**BP2015-05-4** Consider for approval an award of contract for Rehabilitate International Arrivals Building Roof at Indianapolis International Airport, Project No. I-15-039, to Hinshaw Roofing & Sheet Metal Co., Inc. in an amount not-to-exceed \$299,785.00 plus a 3% construction reserve of \$8,994.00 for a total of \$308,779.00. Hinshaw Roofing & Sheet Metal Co., Inc. was the lowest responsive and responsible bidder. Supplier diversity participation on this contract is MBE 0.00%, WBE 10.01% (Douglas Supply Co., Inc.), and VBE 0.00%



## **BOARD MEMO–FOREIGN TRADE ZONE OPERATOR AGREEMENT**

To: IAA Board of Directors

From: Mario Rodriguez, Executive Director

Date: April 27, 2015

Board Date: May 15, 2015

Subject: Silver Foam Distributing Co., Inc. Foreign Trade Zone Operator Agreement

### **Background**

The Indianapolis Airport Authority (IAA) is the Foreign Trade Zone (FTZ) “Grantee” representing central Indiana communities. In 1980, IAA created a separate company, the Greater Indianapolis Foreign Trade Zone, Inc. (GIFTZ), a not-for-profit 501C (6), to administer the FTZ program.

Silver Foam Distributing Co., Inc. is a family owned and operated company that focuses on the distribution of domestic and import beer to Canada. The company is currently shipping to 28 US states and 7 Canadian provinces through their redistribution center in Jackson, Michigan.

The facility requesting FTZ status is located at: 5918 East 34th Street, Indianapolis, IN, 46218. The area to be designated within the facility is 22,500 sq. ft. of warehouse space. A total of 15 new positions will be created to support operations under the FTZ Status.

This designation will allow Silver Foam to further expand service to Western Canada through the utilization of the Indiana-Canada Rail. The GIFTZ Board concurred with Silver Foam’s request for FTZ designation during the April 28, 2015 GIFTZ Board Meeting.

### **Scope**

The GIFTZ Board requests the IAA Board execute the FTZ Operator Agreement.

### **Schedule**

May 15, 2015: Execute FTZ Operator Agreement.

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

#### **Revenue:**

Anticipated revenue impact is \$24,000/annum. FTZ activation is anticipated in the 3<sup>rd</sup> Quarter of 2015.

Operating Costs:

The GIFTZ has no additional costs associated with the application and designation process.

Supplier Diversity Participation

Not applicable.

Recommendation

IAA staff and the GIFTZ Board recommend the IAA Board consider for approval and execute a FTZ Operator Agreement with Silver Foam Distribution Co.



## **BOARD MEMO – AMEND TRILLION AVIATION CONTRACT**

To: IAA Board of Directors

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

Date: May 8, 2015

Board Date: May 15, 2015

Subject: Amendment #2 to Trillion Aviation LLC contract

### **Background**

On July 14<sup>th</sup> of 2014, Trillion Aviation LLC (“Trillion”) was awarded the contract by competitive RFP to serve as IAA’s financial and legal consultant (“Consultant”) for the airline use-and-lease agreement negotiations. The Consultant’s role is to assist with the development of the lease business deal and related industry relevant financial models, and to provide assistance with all aspects of updating the actual lease document and related provisions.

Extensive work has been completed by Trillion in the areas of financial modeling, negotiation strategy development, analysis, benchmarking, crafting the formal proposed business deal that has served as the foundation of the lease negotiation meetings, and providing prudent industry relevant update recommendations to the actual lease document.

The original contract was executed knowing there would be a need for an amendment for additional dollars as the Authority moved forward with negotiations but not wanting to award a contract far in excess of what would be needed. This amendment is based on an evaluation of the current status of the negotiation and the effort required by Trillion with the expectation of at least three more on-site negotiation sessions and the completion of the tasks necessary to update the lease document once agreement on the business terms are reached.

### **Scope**

Approve the not-to-exceed amendment #2 to the contract for consulting services to the Indianapolis Airport Authority in relation to the airline use-and-lease agreement. The contract shall be increased from \$148,000 to \$214,600 and reimbursable expenses will be increased from \$12,300 to \$18,690.

### **Supplier Diversity Participation**

Airmac LLC, a certified DBE subcontractor, will be positively impacted \$19,300 by the amendment.

**Recommendation**

Consider for approval amendment #2 to the contract with Trillion Aviation LLC for financial consulting services in an amount not to exceed \$233,290 (DBE 29.2% Airmac LLC).



## **BOARD MEMO – CONTRACT AWARD**

To: IAA Board of Directors

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

Date: May 5, 2015

Board Date: May 15, 2015

Subject: Award of Construction Contract for Apron Storm Water Inlet Repairs, Phase II at Indianapolis International Airport, Project No. I-14-004 to Davis & Associates, Inc.

### **Background**

The Indianapolis International Airport (IND) Terminal Apron was constructed in 2007 and opened to aircraft in 2008. In 2013, an Indianapolis Airport Authority (IAA) maintenance employee noticed one of the 124 apron drainage inlets was broken. The apron area around the inlet was closed and the broken inlet was repaired.

An extensive assessment of the remaining 123 apron drainage inlets (apron inlets) was performed and identified that numerous apron inlets require corrective action.

In 2014, Apron Storm Water Inlet Repairs, Phase I repaired 7 inlets identified as most critical to the safe operation of aircraft at IND. The Phase I repairs all involved full replacement of slab and grate.

Apron Storm Water Inlet Repairs, Phase II is primarily the addition of cast iron bars to improve the load transfer from the apron inlet grate to the surrounding concrete. There are also eleven full concrete panel repairs similar to Phase I.

On January 17, 2014, the Board executed a contract with Journey Engineering, LLC for Apron Storm Water Inlet Repairs professional services including investigation of inlets, initial, preliminary and final design, and bidding assistance and construction administration for Phase I. Amendment No. 1 was executed by the Board on August 15, 2014 that provided construction inspection services during Phase I. Amendment No. 2 was executed by the Board on March 20, 2015 that provided bid package and inspection services for phase II.

On March 20, 2015, the Board Approved plans and specification for Apron Storm Water Inlet Repairs, Phase II at Indianapolis International Airport, Project No. I-14-004, and authorized the public bidding process.

On April 24, 2015, the IAA staff received five bids. The project contained a base bid only. The bids for base bid ranged from \$565,172.60 to \$959,759.83.

Davis & Associates, Inc. was the lowest responsive and responsible bidder in the amount of \$565,172.60 for the base bid.

In addition to the contract amount, IAA is requesting a construction reserve of 3% of the total contract amount for this project. A construction reserve of 3% has been previously approved by the Board on other projects and successfully implemented to ensure timely approval of minor changes necessary due to unforeseen conditions and circumstances. There are sufficient dollars within this project's budget to accommodate the funding of the 3% contingency for construction reserve. Any change orders exceeding the contract and construction reserve will be submitted to the Board for approval.

Other pending contracts for this project include a testing services contract with Earth Exploration to be executed by the Executive Director for concrete testing. Earth Exploration was selected through a Request for Proposals (RFP) issued on March 10, 2015. Selection committee reviewed proposals on April 2, 2015, and made selections based on qualifications per Federal Aviation Administration (FAA) requirements.

**Scope**

The scope of work includes eleven full panel and 106 grate structure replacements or installation of cast iron grate supports, and joint sealing for concrete pavements containing storm water inlets on the Terminal Apron at IND as shown on the attached exhibit.

**Budget**

The construction contract is \$565,172.60, which is within the approved 2015 Capital Budget for Apron Storm Water Inlet Repairs, Phase II.

**Project Name**

|  |           |                   |
|--|-----------|-------------------|
| Contract Amount (including 3% reserve)     | \$        | 582,127.78        |
| Design (including survey and geotechnical) |           | 79,467.00         |
| Advertisements for Bid                     |           | 250.00            |
| Materials Testing                          |           | 21,376.00         |
| <b>Total Anticipated Project Cost</b>      | <b>\$</b> | <b>683,220.78</b> |

This project will be 100% Airport cash funded.

This project is being undertaken to repair existing infrastructure that is integral to the continued safe operation of the airport. As a result of the critical nature of the rehabilitation, 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 at May 15, 2015 board meeting with substantial completion date expected to be November 2015.

**Supplier Diversity Participation**

The Director of Supplier Diversity has approved the following:

| Firm                     | Amount              |                    |                    | %             |              |               |
|--------------------------|---------------------|--------------------|--------------------|---------------|--------------|---------------|
|                          | MBE                 | WBE                | VBE                | MBE           | WBE          | VBE           |
| Davis & Associates, Inc. | \$344,772.60        | \$0.00             | \$0.00             | 61.00%        | 0.00%        | 0.00%         |
| Barber Construction      | 135,000.00          | 0.00               | 0.00               | 23.89%        | 0.00%        | 0.00%         |
| Nubian Transport         | 0.00                | 8,500.00           | 0.00               | 0.00%         | 1.50%        | 0.00%         |
| American Global Mgmt     | 0.00                | 0.00               | 68,400.00          | 0.00%         | 0.00%        | 12.10%        |
| Indiana Sign & Barricade | 0.00                | 8,500.00           | 0.00               | 0.00%         | 1.50%        | 0.00%         |
| <b>Totals</b>            | <b>\$479,772.60</b> | <b>\$17,000.00</b> | <b>\$68,400.00</b> | <b>84.89%</b> | <b>3.01%</b> | <b>12.10%</b> |

**Recommendation**

The IAA staff recommends that the Board consider for approval an award of contract for Apron Storm Water Inlet Repairs, Phase II at Indianapolis International Airport, Project No. I-14-004, to Davis & Associates, Inc. in an amount not-to-exceed \$565,172.60 plus a 3% construction reserve of \$16,955.18 for a total of \$582,127.78. Davis & Associates, Inc. was the lowest responsive and responsible bidder. Supplier diversity participation on this contract is MBE 84.89% (Davis & Associates, Inc., Barber Construction), WBE 3.01% (Nubian Transport, Indiana Sign & Barricade), and VBE 12.10% (American Global Management).





## **BOARD MEMO – CONTRACT AWARD**

To: IAA Board of Directors

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

Date: May 7, 2015

Board Date: May 15, 2015

Subject: Award of Construction Contract for Rehabilitate International Arrivals Building Roof at Indianapolis International Airport, Project No. I-15-039, to Hinshaw Roofing & Sheet Metal Co., Inc.

### **Background**

The roof of the International Arrivals Building (IAB) has reached the end of its useful life and needs to be rehabilitated. The IAB was originally constructed in 1975. The building is located at 7001 Pierson Drive on the north end of the Airport at Banner Avenue. It is commonly known as Building 3 to Airport personnel.

The south end of the building was recently renovated to accommodate U.S. Department of Homeland Security's processing of international general aviation arrivals. Rehabilitating the roof to prevent water infiltration should protect the renovation investment for another forty years or more.

On August 22, 2014, the Indianapolis Airport Authority (IAA) issued a qualifications based Request for Proposals (RFP) to select a designer for this project, with responses due on September 18, 2014. Four proposals were received. A review committee made up of three IAA representatives reviewed and ranked the proposals. The etica group, inc. was ranked highest by the committee to meet this project's professional service needs.

On December 30, 2014, the Executive Director approved a contract with the etica group, inc. to design the project and prepare plans and specifications for bidding the work.

On March 20, 2015, the Board approved plans and specifications for Rehabilitate International Arrivals Building Roof at Indianapolis International Airport, Project No. I-15-039, and authorized the public bidding process.

On April 21, 2015, the IAA staff received six bids. The project contained a Base Bid only. The bids ranged from \$299,785.00 to \$507,677.00.

Hinshaw Roofing & Sheet Metal Co., Inc. was the lowest responsive and responsible bidder in the amount of \$299,785.00 for the Base Bid.

In addition to the contract amount, IAA is requesting a construction reserve of 3% of the total contract amount for this project. A construction reserve of 3% has been previously approved by the Board on other projects and successfully implemented to ensure timely approval of minor changes necessary due to unforeseen conditions and circumstances. There are sufficient dollars within this project's budget to accommodate the funding of the 3% contingency for construction reserve. Any change orders exceeding the contract and construction reserve will be submitted to the Board for approval.

**Scope**

The scope of this project is to remove the existing lower roof membrane and insulation and install new insulation and membrane roofing, and to add insulation to the upper standing seam metal roof and install new membrane roofing to the existing metal roof.

**Budget**

The Hinshaw Roofing & Sheet Metal Co., Inc. contract is \$299,785, which is within the approved 2015 Capital Budget for Rehabilitate International Arrivals Building Roof.

|  |                   |
|--|-------------------|
| Contract Amount (including the 3% reserve) | \$ 308,779        |
| Design/Construction Administration         | 54,571            |
| Testing/Inspection                         | <u>10,000</u>     |
| <b>Total Anticipated Project Cost</b>      | <b>\$ 373,350</b> |

This project will be 100% Airport cash funded.

This project is being undertaken to repair an asset currently leased to a third-party tenant. Without these improvements, the facility will be unsuitable for its current use. 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 May 15, 2015 and the substantial completion date is expected to be August 2015.

**Supplier Diversity Participation**

The Director of Supplier Diversity has approved the following:

| FIRM                     | AMOUNT     |                    |            | %            |               |              |
|--------------------------|------------|--------------------|------------|--------------|---------------|--------------|
|                          | MBE        | WBE                | VBE        | MBE          | WBE           | VBE          |
| Douglas Supply Co., Inc. | \$0        | \$30,000.00        | \$0        | 0.00%        | 10.01%        | 0.00%        |
| <b>Totals</b>            | <b>\$0</b> | <b>\$30,000.00</b> | <b>\$0</b> | <b>0.00%</b> | <b>10.01%</b> | <b>0.00%</b> |

**Recommendation**

The IAA staff recommends that the Board consider for approval an award of contract for Rehabilitate International Arrivals Building Roof at Indianapolis International Airport, Project No. I-15-039, to Hinshaw Roofing & Sheet Metal Co., Inc. in an amount not-to-exceed \$299,785.00 plus a 3% construction reserve of \$8,994.00 for a total of \$308,779.00. Hinshaw Roofing & Sheet Metal Co., Inc. was the lowest responsive and responsible bidder. Supplier diversity participation on this contract is MBE 0.00%, WBE 10.01% (Douglas Supply Co., Inc.), and VBE 0.00%.