



Agenda
Indianapolis Airport Authority
February 18, 2011
9:00 AM

- I. Call to Order
- II. Approval of Minutes of the Pre-Board and Regular Meeting of January 21, 2011
- III. Ordinances, Resolutions and Public Hearings
 - a) Introduction of **General Ordinance 1-2011** concerning the repeal of General Ordinance No. 9-2008.
 - b) Finance & Audit Committee
 - i. Consider for approval **Resolution No. 1-2011** authorizing Entry into A Swap Agreement or Extending or Amending Existing Swap Agreements.
 - ii. Consider for approval **Resolution No. 2-2011** concerning IAA Hurdle Rate Policy
 - iii. Consider for approval **Resolution No. 3-2011** concerning IAA Business Travel & Expense Reimbursement Policy
 - c) Consider for approval **Resolution No. 4-2011** concerning the Indianapolis Airport Authority Land Use Plan.
 - d) Consider for approval **Resolution No. 5-2011** concerning delegation of authority to IAA's Executive Director to approve contracts for "minor" public works projects estimated to cost less than \$50,000 each.
- IV. Board Reports
 - a) President's Report
 - b) Finance & Audit Committee Report – *Jean Wojtowicz, Chair*
 - c) HR Committee Report – *Alex M. Azar II, Chair*



V. Official Actions

- a) Nomination of Officers of the IAA Board – *Alex M. Azar II*
- b) Introduction of the IAA Consent Calendar dated February 18, 2011.
- c) Consider for approval each of the individual items listed on the IAA Consent Calendar Agenda dated February 18, 2011.

VI. Staff Reports

- a) CEO Report – *John D. Clark, III*
- b) Financial Report – *Marsha Stone*
- c) Communications & Marketing – *Patzetta Trice*

VII. Other Reports/Update

VIII. Adjourn

MINUTES OF PRE-BOARD MEETING

The Pre-Board Meeting of the Indianapolis Airport Authority Board took place at 8:07 A.M. on Friday, January 21, 2011, in the new Indianapolis Airport Colonel H. Weir Cook Terminal Building, fourth floor. The following members of the Indianapolis Airport Authority Board were present:

Lacy M. Johnson
Alex M. Azar, II
Mary Moses Cochran
Kelly J. Flynn
Jean L. Wojtowicz

Also present was Advisory Board member Lynn Gordon.

The following reports and/or presentations were made:

1. SB 388 Swaps by Marsha Stone;
2. Indy Aero by Marsha Stone;
3. A Pouring Rights Update as it pertains to Pepsi and Coke by Mark Hedegard; and
4. A report on the potential for a solar farm at the Airport by Mark Hedegard.

Attached to the Minutes is the Delegated Authority Schedule which was presented to the Board dated January 12, 2011.

The Airport Authority Board concluded its Pre-Board Meeting at 8:27 A.M.

ALL OF WHICH IS STATED THIS ____ DAY OF FEBRUARY, 2011.

LACY M. JOHNSON, Vice-President

MONTH/YEAR	OTHER PARTY	TYPE OF DOCUMENT	TERM (YEARS)	REVENUE	INITIALS	COMMENTS
Dec. 10	RF Connect LLC	Contract for Professional Services	2 Years	None	J. Clark	Cell Phone antenna support services- \$98,843.00
Dec. 10	New Age Vending	Amendment of Contract	4 Years	15% of Gross revenue	J. Clark	Extension of concessionaire's contract agreement
Dec. 10	Universal Field Services, Inc.	Contract	1 year	None	J. Clark	Noise Mitigation and Airport Development Projects up to \$98,265.00
Dec. 10	Indiana State Police	Lease	4 years	\$41,000 annual rental increasing to \$50,000 per year in 2013.	J. Clark	Renewal of Lease of Building 17
Dec-10	Thirty Car Rental	Airport Use Permit	Short term	412.50 per month	J. Clark	Non-exclusive use permit for additional parking spaces
Dec. 10	Delta Air Lines	Short-term Use Agreement	2 days	None	J. Clark	Automobile Display with Terminal
Dec. 10	Global Aviation Services	Airport Use Permit	4 Years	8% of gross monthly sales	J. Clark	Permit to operate vehicle maintenance for Delta and other airlines
Dec. 10	Chautauqua Airlines	Lease Agreement	1 Year	\$161,120 per year to IAA	J. Clark	Rental of 1696 square feet of office space at \$95 per square foot
Dec. 10	Walker Parking Consultants	Professional Services Agreement	6 months	None	J. Clark	Provide study, analysis, RFP for parking garage lighting to update the entire lighting system - \$43,300.00
Dec. 10	Estes Lakeshore News	Display Contract	1 year	\$800 minimum guarantee or 10% of gross receipts	J. Clark	Contract for 48 feet of space in Civic Plaza for display and sale of electronic merchandise
Dec. 10	Children's Museum of Indpls.	Short term agreement	1 year	\$1000 per month or 15% of gross receipts	J. Clark	Short term agreement to occupy 24 square feet of space in civic plaza
Dec. 10	TSA	License Agreement	1 Year	None	J. Clark	Agreement to memorialize existing use of space for security purposes

MONTH/YEAR	OTHER PARTY	TYPE OF DOCUMENT	TERM (YEARS)	REVENUE	INITIALS	COMMENTS
Dec. 10	Key Auctioneers, LLC	Auction Contract	45 Days	\$	J. Clark	Auction Contract for IMC 5% of gross plus \$4,000.00
Dec. 10	Physio Control, Inc.	Technical Service Support Agreement	1 year		J. Clark	
Dec. 10	INDOT	Grant Agreement	4 Years	None	J. Clark	
Dec. 10	Greater Indianapolis Foreign Trade Zone Inc.	Second Amendment to Building #24 Lease Agreement	N/A	\$3,616.21	J. Clark	Price of coverage is \$17,900 per term IAA to match at \$10,848.00
Dec. 10	BKD, LLC	External Audit Engagement Letter	No term	None	J. Clark	Rent reduction for roof replacement by tenant
Dec. 10	Quantem Aviation Services	Lease Agreement	1 year	None	J. Clark	\$110,000
Dec. 10	Indiana Homeland Security	Grant Agreement	1 year	\$199,548.00	J. Clark	Lease of Rental Space
				\$4,000.00	J. Clark	\$4,000.00 Grant
Dec. 10	Accountemps Salaries Professional Services	Contract	4 months	None	Robert Thomson	Contract for hiring of temporary employee during coverage for a maternity leave in Accounting Dept. \$53.72 per hour up to 480 hours
Dec. 10	Signature and Indiana Adjutant General	Consent to Sublease Agreement	3 years	None	J. Clark	Adjutant General to pay \$12,035.16 per month in rental fees to Signature
Dec. 10	Comlux America LLC	Short Term Lease Agreement	1 month with month to month renewal	\$1,194.06 for the term of 1 month and increasing to \$2,467.72 per month if the lease operates on a month to month basis thereafter	J. Clark	Building Lease Agreement for Hanger #146

MONTH/YEAR	OTHER PARTY	TYPE OF DOCUMENT	TERM (YEARS)	REVENUE	INITIALS	COMMENTS
Dec. 10	NPPS, Inc.	Lease Agreement	3 Years	Annual rental of \$22,200 increasing to \$25,200 in 3rd year	J. Clark	Land and Building Lease for Building #500
Dec. 10	GSA	Lease Agreement	1 year	\$216,315.00	J. Clark	Lease of Rental Space
Dec. 10	Clarian Health Partners, Inc.	Amendment to Lease Agreement	4 Years	\$108,855.00	J. Clark	Amendment No. 1 to Indianapolis Heliport Hangar, Office and Parking Lease Agreement
Dec. 10	Southwest Airlines Co.	Shared Tenant Services Agreement (Airline Services Support Bldg.)	2 Years	Annual revenue of \$10,800.00	J. Clark	Revenue from providing IT services
Dec. 10	Southwest Airlines Co.	Shared Tenant Services Agreement (Terminal Bldg.)				
Dec. 10	MCR Services, Inc.	Contract Renewal #1	2 Years	\$13,500.00	J. Clark	
Dec. 10	First Electric Supply	Contract for Lighting Consulting Services	6 Months	None	J. Clark	Accounting Services--up to \$1500
Dec. 10	Avis Rent-A Car System, LLC	Airport Use Permit	1 Year	\$412.50 per month	J. Clark	IAA to pay \$37,745.00. Permit for use of additional parking spaces
Dec. 10	Transportation Consulting and Management	Contract for Consultant Services	3 Months	None	J. Clark	Total cost is \$7,920.00.
Dec. 10	Signature Flight Support Corporation Building #117	Consent to Sublease	2 Years	None	J. Clark	No revenue is associated with this sublease as signature pays the authority rental on the building as part of their existing Land and Building lease agreement
Dec. 10	Signature Flight Support Corporation Building #19	Consent to Sublease	2 Years	None	J. Clark	No revenue is associated with this sublease as signature pays the authority rental on the building as part of their existing Land and Building lease agreement

MONTH/YEAR	OTHER PARTY	TYPE OF DOCUMENT	TERM (YEARS)	REVENUE	INITIALS	COMMENTS
Dec. 10	ASCAP	Music License Agreement for Holiday Concerts at Terminal	1 Year	None	J. Clark	Flat fee of \$219.00 per year (regardless of number of concerts)
Dec. 10	Cripe Architects Indiana Standards Laboratory	Contract Amendment	1.5 Years	None	J. Clark	Total of all payments shall not exceed \$4,420.00
Dec. 10	Public Safety Medical	Contract Renewal	1 Year	None	J. Clark	Total cost is \$2,960.00
Dec. 10	NGC Corporation	Contract for Professional Services	2 days	None	J. Clark	Total cost is \$1,600.00. On-Site Hearing tests for 80 terminal services employees
Dec. 10	Estes Lakeshore News	Contract for Professional Services	1 Year	None	J. Clark	Total cost is \$47,650.00. Consulting Services for Revitalization of Runway at Eagle Creek
Dec. 10	Avis Rent-A Car System, LLC	Amendment No. 1 to Short Term Use Agreement	1 Year	\$1500.00 additional per year.	M. Medvescek	Concessionaire shall pay to the Authority at a rate of \$15.00 per square foot for 100 feet
Dec. 10	BSA LifeStructures	Use Permit	1 Year	\$100,320.00	M. Medvescek	Use Permit to utilize 80 additional parking spaces
Dec. 10	Garthner, Inc.	Contract Amendment Professional Services Contract	1 month	None	M. Medvescek	Amendment for extension of time. Short Extension of Time Only-Several Midfield Construction Projects
Dec. 10	PWK Capital Investments	Release of Escrow Money for real estate transaction that didn't occur	1 Year	None	AJ Stanley	Total cost is \$63,600.00--IT Consulting
			n/a	None	M. Medvescek	

MINUTES
Board of Directors Meeting
Indianapolis Airport Authority

The Regular Meeting of the Indianapolis Airport Authority Board was called to order at 8:30 a.m., January 21, 2011, in the Airport Board Room at the Indianapolis International Airport.

Present and comprising a quorum were:

Lacy Johnson, Vice President
Alex M. Azar II, Member
Jean Wojtowicz, Member
Kelly Flynn, Member
Mary Moses Cochran, Member

Advisory Members attending:
Lynn Gordon

Rex Joseph, IAA Counsel

IAA executive staff attending:

John D. Clark III, Executive Director/CEO
Marsha Stone, Chief Financial Officer
Mike Medvescek, Chief Operations Officer
Al Stanley, Chief Information Officer
Patzetta Trice, Chief Communications Officer
Joseph Heerens, General Counsel
Beverly Terlaje, Executive Assistant/Recording Secretary

APPROVAL OF MINUTES

Upon a motion by Mr. Flynn, seconded by Mr. Azar and unanimously passed, approval was given to the Minutes of the Pre-Board and Regular Meeting of December 17, 2010.

ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS

Vice President Lacy Johnson opened the public hearing of General Ordinance No. 4-2010 pertaining to the Authority's 2011 Rates and Charges. There being no public comments, the hearing was closed.

Upon a motion by Ms. Wojtowicz, seconded by Ms. Moses and unanimously passed, approval was given to General Ordinance No. 4-2010 pertaining to the Authority's 2011 Rates and Charges.

BOARD REPORTS

President's Report

Vice President Johnson had no reports.

OFFICIAL ACTIONS

Item A, under Official Actions, Nomination of Officers of the IAA Board, was tabled.

APPROVAL OF THE INDIANAPOLIS AIRPORT AUTHORITY'S CONSENT CALENDAR, DATED January 21, 2011: Upon a motion by Mr. Bennett, seconded by Ms. Wojtowicz and unanimously passed, approval was given to the Consent Calendar, dated January 21, 2011.

APPROVAL OF INDIVIDUAL ITEMS LISTED ON THE INDIANAPOLIS AIRPORT AUTHORITY'S CONSENT CALENDAR, DATED January 21, 2011:

Upon a motion by Mr. Bennett, seconded by Ms. Wojtowicz and unanimously passed, approval was given to accept each of the individual items listed on the Consent Calendar, dated January 21 2011.

STAFF REPORTS

CEO Report

Mr. Clark had no reports.

CFO Report

Ms. Stone provided a brief report on Air Service for December 2010 as well as year-to-date; she reported that December 2010 enplanements were up 2% vs. the same period in 2009, which puts the enplanements up by 0.8% year-to-date. We have had a continued growth trend in our passenger enplanements through the end of 2010. Ms. Stone also gave a brief financial update.

Communications & Marketing Report

Ms. Trice, Chief Communications Officer, provided a Communications & Marketing Update as well as report on 2010 year in review. She reported on the Authority's 2010 YouTube Contest, customer engagement efforts, holiday events in Civic Plaza, paid and earned media coverage, asset maximization, and social media utilization.

Midfield Project Closeout Report

Ms. Greta Hawvermale, Director of Engineering and Environmental Matters, provided a report on the Midfield Closeout Project, indicating that the Authority has made significant progress in resolving open items. Of the original 136 bid packages, only 13 items (e.g., potential claims, errors and omissions) remain open.

Supplier Diversity Report

Mr. Corey Wilson, Director of Supplier Diversity and Government Affairs, provided a report on Supplier Diversity for 2010 as well as the Authority's 2011 initiatives in this regard. The Authority's goals 18% and 5% for MBE and WBE, respectively. With respect to XBE's serving as prime contractors for the Authority, Mr. Wilson reported progress in having Shrewberry & Associates as the lead in the design of the FedEx Apron Phase IV, and First Electric as the lead in the lighting efficiency design efforts at the IMC. The Authority will continue to focus on achieving the stated goals.

Other Reports/Update

Vice President Johnson recognized and thanked Mr. Bill Brundza with Hudson Hill Cheesecakes for sponsoring today's board refreshments.

ADJOURN

There being no further business, the meeting was adjourned at 9:05 a.m.

INDIANAPOLIS AIRPORT AUTHORITY*

Lacy M. Johnson, Vice President

Alfred R. Bennett, Secretary

Date: _____

*Signed under authority of IAA Board Resolution 10-2009



Board Memo

To: IAA Board of Directors

From: John D. Clark, III
Executive Director/CEO

Date: February 9, 2011

Board Date: February 18, 2011

Background

IAA's General Ordinance No. 9-2008 (the "2008 Ordinance") allows for union representation of certain employees for purposes of collective bargaining. Since the passage of the 2008 Ordinance, there have been significant developments and changes involving and/or affecting the IAA, including, but not limited to:

- (1) severe downturn in the economy and employment over the last few years, which has negatively impacted the airport and airline industries, including the Indianapolis International Airport ("Airport") which has been affected by lower passenger and cargo landed weights and less air travel by the general public;
- (2) ongoing economic uncertainty about the future due to the relatively weak economic recovery and continuing high unemployment levels;
- (3) establishment of a new senior management team at the IAA;
- (4) efforts by the IAA's management to develop an organizational culture based upon the core values of respect, integrity, trust and excellence;
- (5) development of a new vision to create a diverse, forward-thinking and innovative organization; and
- (6) development of a new five-year strategic plan, with a particular focus on customer satisfaction, business development, asset maximization, operational excellence, and competitiveness.

In addition to the foregoing, the IAA's Board and management are pursuing other initiatives and changes for improving the organization, including, but not limited to, the development and implementation of:

- (1) a new Employee Relations Committee;
- (2) improved retirement plans for police and firefighters which recognize the significant risks inherent in their jobs;
- (3) an "IAA University", which will be an internal educational program offering courses on IAA competencies to help employees develop improved skills;
- (4) a new performance management and employee evaluation system (including pay-for-performance bonus opportunities) designed to integrate the IAA's strategic plan into its management and culture;
- (5) a new compensation and pay-grade structure, including assessment of all employee pay levels within that structure;
- (6) a new management training program; and
- (7) new policies and procedures concerning a variety of matters beneficial to the organization.

In light of these significant developments, changes, opportunities and challenges involving and affecting the IAA, IAA's management believes it is in the best interests of the IAA, its employees, and the public for the Board and IAA's management to have as much flexibility as possible in considering, developing, adopting and implementing options for improving organizational performance.

IAA's management also values the ability to interact directly with the IAA's employees without the intervention of third parties. The involvement of third parties at this time might delay, complicate or interfere with the implementation of the above-described changes and initiatives.

At this time, there are two (2) unions representing, or desiring to represent, IAA employees. The International Union of Operating Engineers, Local 399 (the "Operating Engineers"), was recognized in 2009 and represents approximately 75 employees. The Indianapolis Professional Firefighters, Local 416 ("Firefighters"), desires to be recognized so that it may represent approximately 25 firefighters.

With respect to the Operating Engineers, collective bargaining commenced in 2009 but was suspended in June 2010 to allow IAA to conduct a Compensation & Benefit Study (the "C&B Study") of its employees. The C&B Study has been completed, and the Operating Engineers now desire to resume negotiations with the IAA in an effort to reach a collective bargaining agreement.

As for the Firefighters, they collected a sufficient number of signed "authorization cards" in 2010 to allow them to seek the IAA Board's approval to hold a secret ballot election to ascertain whether their proposed union has sufficient support among the Firefighters to be recognized by the IAA.

During the Fall, 2010, IAA's management met, on several occasions, with union representatives of the Operating Engineers, as well as employees who are part of that bargaining unit. At those meetings, IAA's management communicated its desire to obtain a two-year hiatus (or suspension) in collective bargaining in order to allow for the development and implementation of certain initiatives and other changes throughout the organization designed to improve organizational performance. Those efforts were not successful. IAA's management also met with a representative of the Firefighters on several occasions. IAA's management has kept the Board apprised of its discussions with the Operating Engineers and the Firefighters.

At the Board Human Resources Committee on January 26, 2011, the Operating Engineers discussed why they believe their union will be beneficial to the IAA and requested that the parties return to the bargaining table. At this same meeting, the Firefighters appeared and presented their case as to why they should be entitled to hold a secret ballot election to recognize their proposed union. The committee took both of these matters under advisement.

In evaluating this subject over the last few months, IAA management considered and reviewed various options internally and with the Board, including, but not limited to:

- (1) resuming negotiations with the Operating Engineers in an effort to reach a collective bargaining agreement;
- (2) holding an election as requested by the Firefighters and beginning negotiations with Local 416 provided the election results were sufficient to recognize the union;
- (3) temporarily suspending collective bargaining, as well as recognition of additional bargaining units, for a period of two-years;
- (4) consolidating with City of Indianapolis Police and Fire Departments;
- (5) withdrawing recognition of the Operating Engineers' union and not proceeding with an election for the Firefighters, but keeping the 2008 Ordinance in effect; and
- (6) repealing the 2008 Ordinance in its entirety, which would eliminate collective bargaining as an option for IAA employees.

Recommendation

Based on its thorough review, analysis and discussion of this subject, the various options and the overall situation during the last few months, and given the significant strategic initiatives being implemented, IAA's management believes that it is in the IAA's best interest to repeal the 2008 Ordinance and has prepared the attached General Ordinance No. 1-2011 (providing for the repeal of the 2008 Ordinance) for the Board's review, consideration and approval.

Schedule

February 18, 2011:	Introduction of General Ordinance No. 1-2011
March 11, 2011:	Public Hearing/Consideration for Adoption of General Ordinance No. 1-2011

GENERAL ORDINANCE NO. 1-2011
OF THE INDIANAPOLIS AIRPORT AUTHORITY

WHEREAS, the Indianapolis Airport Authority (hereinafter referred to as "IAA" or "Authority") was established as a municipal corporation by the Indiana General Assembly in 1962 to own and operate public airports and facilities known as Indianapolis International Airport, Eagle Creek Airport, Downtown Heliport, Mount Comfort Airport, Gordon Graham Field, Metropolitan Airport, and such other facilities that may be established or maintained by the Authority from time to time pursuant to law (hereinafter referred to individually as an "IAA Airport" or collectively as the "IAA Airports"); and

WHEREAS, the IAA is empowered, by virtue of Indiana Code § 8-22-3-11, with the power to, *inter alia*: (i) adopt administrative procedures, rules and regulations; (ii) determine matters of policy regarding internal organization and operating procedures not specifically provided for otherwise; and (iii) employ personnel necessary to carry out the duties, functions and powers of its board; and

WHEREAS, the IAA's Board (the "Board") is empowered, pursuant to Indiana Code § 8-22-3-3, to exercise the executive and legislative powers of the Authority; and

WHEREAS, IAA General Ordinance No. 9-2008 (hereinafter referred to as the "2008 Ordinance") allows for union representation of certain employees for purposes of collective bargaining; and

WHEREAS, since the passage of the 2008 Ordinance, there have been significant developments and changes at and affecting the IAA and the IAA Airports, including, but

not limited to: (i) a severe downturn in the economy and employment, which has negatively impacted the airport and the airline industries, including the IAA Airports which have been affected by lower passenger and cargo landed weights and less air travel by the general public; (ii) ongoing economic uncertainty about the future due to the relatively weak economic recovery and continuing high unemployment levels; (iii) establishment of a new senior management team at the IAA; (iv) efforts to develop an organizational culture based upon the core values of respect, integrity, trust and excellence; (v) development of a new vision to create a diverse, forward-thinking and innovative organization; and (vi) development of a new five-year strategic plan focused on customer satisfaction, business development, asset maximization, operational excellence, and competitiveness; and

WHEREAS, the Board and IAA management are pursuing additional initiatives and changes for improving the organization, including, but not limited to, the development and implementation of: (i) an Employee Relations Committee; (ii) improved retirement plans for employees; (iii) an "IAA University", which will be an internal educational program offering courses on IAA competencies to help employees develop improved skills; (iv) a performance management and employee evaluation system (including pay-for-performance bonus opportunities) designed to integrate the IAA's strategic plan into its management and culture; (v) a new compensation and pay-grade structure, including assessment of all employee pay levels within that structure; (vi) a new management training program; and (vi) new policies and procedures concerning a variety of other matters; and

WHEREAS, in light of these significant developments, changes, opportunities and challenges facing the IAA and the IAA Airports, the Board has determined that it is in the best interests of the IAA, the IAA's employees, the IAA Airports, and the public for the Board and IAA's management to have as much flexibility as possible in considering, developing, adopting and implementing all options for improving IAA's organizational performance; and

WHEREAS, the Board values the ability of the Board and IAA's management to interact directly with IAA's employees without the intervention of third parties, and it also wishes to encourage IAA's employees and management to further develop and work together as a team; and

WHEREAS, the involvement of third parties at this time might delay, complicate, or interfere with the implementation of the above-described changes and initiatives.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD, in and pursuant to the exercise of its powers, as follows:

SECTION 1:

The 2008 Ordinance (IAA General Ordinance No. 9-2008) concerning the establishment of a system to permit representation of certain employees by unions (employee organizations) for purposes of limited collective bargaining, is hereby repealed in its entirety.

SECTION 2:

The Board, its members and officers, and the IAA's Executive Director/CEO and his/her designee(s), are hereby authorized to take any and all actions as may be

necessary, appropriate or desirable to carry out the intent of this General Ordinance No. 1-2011 (hereinafter referred to as the "2011 Ordinance").

SECTION 3:

Any ordinances and/or policies, or parts thereof, of the IAA that are inconsistent, or in conflict, with the terms or provisions of this 2011 Ordinance, are, to the extent of such, hereby repealed.

SECTION 4:

The provisions of this 2011 Ordinance shall be severable, and, if any of the provisions hereof shall be held to be unconstitutional, invalid or illegal by a court of competent jurisdiction, such decision will not affect the validity of any of the remaining provisions of this 2011 Ordinance.

SECTION 5:

This 2011 Ordinance shall take effect immediately upon passage.

ENACTED on this _____ day of _____, 2011.

INDIANAPOLIS AIRPORT AUTHORITY *

By: _____
Michael B. Stayton, President

Attest: _____
Alfred R. Bennett, Secretary

* Signed under authority of Board Resolution #10-2009

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

I, Alfred R. Bennett, being the duly elected, qualified Secretary of the Indianapolis Airport Authority, Indianapolis, Indiana, do hereby certify that the foregoing is a full, true and complete copy of General Ordinance No. 1-2011 adopted by the Board of the Indianapolis Airport Authority at a regular/special meeting of said Board held at its offices at Indianapolis International Airport on March 11, 2011, and that said Ordinance has not been amended, rescinded or revoked.

WITNESS MY HAND AND THE OFFICIAL SEAL OF THE INDIANAPOLIS AIRPORT AUTHORITY on this _____ day of March, 2011.

(SEAL)

Alfred R. Bennett, Secretary



Board Memo CMS Swap Reversal

To: IAA Board

From: Jean Wojtowicz, Finance and Audit Committee Chair

Date: February 9, 2011

Board Date: February 18, 2011

Subject: Resolution No. 1-2011 Authorizing Entry into A Swap Agreement or Extending or Amending Existing Swap Agreements

Background

(I) On October 11, 2005, the Indianapolis Local Public Improvement Bond Bank ("Bond Bank") and the Indianapolis Airport Authority ("Authority") entered into a forward starting interest rate swap with UBS as the counterparty in which, starting July 1, 2008, the Authority was to receive 75% of the one-month LIBOR rate and pay a fixed rate of 3.7775% ("Interest Rate Swap") on a notional amount of \$100,000,000. (II) On April 23, 2007, the Bond Bank and the Authority entered into a forward starting basis swap ("CMS Swap") with UBS as the counterparty in which, starting on July 1, 2008, the Airport Authority would receive 75% of the 10-year LIBOR swap rate less 0.437% and pay 75% of the one-month LIBOR swap rate. The effect of the CMS Swap was to modify the variable-rate receiver portion of the Interest Rate Swap such that the Authority would receive a rate based on the 10-year LIBOR swap rate instead of the 1-month LIBOR rate. Based on the historical average over the prior 10-year period, the CMS Swap was expected to lower the Authority's cost of funds by an average 80 bps per annum on \$100,000,000 of debt over time. (III) On February 14, 2008 the Authority entered into a forward starting basis swap with UBS as the counterparty which effectively deferred the starting date of the CMS Swap until July 1, 2012. In exchange for this deferral, the Authority received an upfront payment of \$3.54 million.

Current Situation

Since February 14, 2008, the market value of the CMS Swap has increased. The Authority can monetize the value of potential future cash flows from the CMS Swap by deferring the start date of the CMS Swap beyond July 1, 2012. If the Authority does not monetize the value today, over time the future cash flows from the CMS Swap may be greater than or less than the current value that the Authority can receive by deferring the start date of the CMS swap beyond July 1, 2012. For example, assuming market rates as of January 25, 2011, the Authority could receive approximately \$3 million by deferring the start date of the CMS swap from July 1, 2012 to July 1, 2014. The approximately \$3 million receipt by the Authority would be equivalent to locking-in approximately 100 bps per year over the two year extension period (as compared to the initial 80 bps per annum assumption).

Outcome of Swap Reversal

If the Authority successfully executes the CMS swap reversal, the Authority will: (1) receive an upfront payment, (2) defer the start date of the CMS trade from July 1, 2012 until July 1, 2014, and (3) eliminate basis risk between the swap (which will price based on one-month LIBOR) and the associated 2010C Authority bonds (which price based on one-month LIBOR) through the termination date of the Authority's credit agreement related to the 2010C bonds on December 20, 2013. The execution of the swap reversal and any associated upfront payments received by the Authority is based on market factors at the time of execution.

Recommendation

The Finance and Audit Committee reviewed and I recommend approving Resolution No. 1-2011 Authorizing Entry into A Swap Agreement or Extending or Amending Existing Swap Agreements for the purpose of deferring the start date of the CMS Swap and monetizing all or a portion of the current value of the CMS Swap.

RESOLUTION NO. 1-2011
OF THE
INDIANAPOLIS AIRPORT AUTHORITY
AUTHORIZING ENTRY INTO A SWAP AGREEMENT OR
EXTENDING OR AMENDING EXISTING SWAP AGREEMENTS

Recitals

WHEREAS, the Indianapolis Airport Authority (the "Authority") issued one or more series of variable rate revenue bonds in 2008 that were refunded by bonds issued in 2010 that were entitled Indianapolis Airport Authority Multi-Mode Airport Revenue Bonds, Series 2010C (the "Bonds"); and

WHEREAS, the Authority is authorized by Indiana Code 8-9.5-9-5 (the "Swap Act") to enter into interest rate swap agreements to modify its interest rate risk with respect to all or a portion of its bonds and to amend, modify or terminate any such swap agreements; and

WHEREAS, by entering into one or more swap agreements, the Authority has been able to modify its net obligations for debt service payments and may, in time, reduce the amount of debt service payments to be made on the Bonds; and

WHEREAS, the Authority, together with The Indianapolis Local Public Improvement Bond Bank (the "Bond Bank"), previously entered into a swap agreement dated October 11, 2005 (the "Original Swap"), with UBS AG ("UBS") with respect to certain bonds to be issued by the Authority and the Bond Bank, in order to provide for the payment and security of the Authority's obligations thereunder in accordance with its Master Bond Ordinance, General Ordinance No. 4-2002, as amended (the "Bond Ordinance"); and

WHEREAS, the Authority and UBS have previously modified the net effect of the Original Swap by executing a new swap on April 23, 2007 (the "2007 CMS Swap") and again modified both the Original Swap and the 2007 CMS Swap by executing on February 14, 2008, a new swap agreement with UBS (the "2008 CMS Swap") in order to monetize a portion of the positive market value of the 2007 CMS Swap; and

WHEREAS, the Authority and UBS amended all of the above documents in June 2008 in connection with the issuance of the variable rate bonds for which the Original Swap was executed and amended such agreements again in December 2010 in connection with the issuance of the Bonds;

WHEREAS, the Authority desires to take advantage of current favorable market conditions to monetize all or a portion of the current positive market value of the 2007 CMS Swap; and

WHEREAS, the Authority desires to authorize and direct its officers and staff to amend the Original Swap, the 2007 CMS Swap and/or the 2008 CMS Swap (together, the "Swaps") or to enter into a new swap agreement which would effectively amend the Swaps to monetize all or a portion of the current positive market value of the 2007 CMS Swap.

NOW, THEREFORE, THE INDIANAPOLIS AIRPORT AUTHORITY RESOLVES THAT:

Section 1. The Authority approves entering into an amendment or modification of the documents related to the Swaps (or entering into a new interest rate swap that accomplishes the same purposes) pursuant to a new Confirmation under an existing swap document or under a new Master Agreement and Schedule between the Authority and an entity to be selected by the Treasurer (which entity shall be an

"Eligible Counterparty", as defined below) (the "Counterparty") in substantially the form of the existing documents (in either case, the "New Agreements"), subject to the further provisions of this Resolution, and authorizes the President, the Vice President, the Treasurer or the Secretary of the Authority to approve the final provisions of, and to enter into, for and on behalf of the Authority, the New Agreements. Approval of the final provisions of the New Agreements shall be conclusively evidenced by execution of the New Agreements. The interest rate swap to be executed pursuant to the New Agreements shall terminate not later than 2033, the aggregate amount of bonds related thereto shall not exceed \$100,000,000, and the Authority shall receive at least \$1,000,000 in consideration of the execution of the New Agreements.

The New Agreements shall be in the International Swap Dealers Association form, as supplemented and amended to accommodate the terms and conditions of (a) the Bonds, (b) the Bond Ordinance, and (c) this Resolution.

An "Eligible Counterparty" shall be a business entity which (i) has a rating equal to or higher than the rating of UBS as of the date of the new swap agreement (without regard to modifiers) by at least two nationally recognized credit rating agencies (Fitch Ratings, Moody's Investors Service, Inc. or Standard & Poor's Rating Services, a division of the McGraw-Hill Companies, Inc.); or (ii) if the Counterparty is not so rated, is guaranteed or otherwise fully supported by another business entity so rated. If the Counterparty is subsequently downgraded below such level (without regard to modifiers), the Counterparty must agree to collateralize its obligations under the New Agreements.

In adopting this Resolution, the Authority finds and determines that:

(i) the New Agreements will constitute a "swap agreement" within the meaning of Indiana Code 8-9.5-9-4;

(ii) the New Agreements are necessary or desirable in connection with or incidental to the issuance, carrying or securing of the Bonds;

(iii) the New Agreements contain the provisions and are with an Eligible Counterparty, giving the Authority an indication of the creditworthiness of the Counterparties (the Authority having given due consideration to the same).

Section 2. The President, the Vice President, the Treasurer or the Secretary of the Authority is authorized and directed to execute and deliver the New Agreements in substantially the forms approved by this Resolution, with such changes in form or substance as the officers executing the same shall approve, such approval to be conclusively evidenced by the execution of the same. The President, the Vice President, the Treasurer or the Secretary is authorized to terminate the New Agreements as provided therein.

Section 3. The Treasurer of the Authority is authorized and directed to pay or cause to be paid the reasonable fees and expenses incurred by the Authority in connection with the transactions contemplated by this Resolution from money lawfully available to the Authority or to fund such expenses by agreement with the Counterparty.

Section 4. The President, the Vice President, the Secretary and the Treasurer of the Authority are, and each of them is, authorized and directed to do and perform all acts and to execute in the name of the Authority all such instruments, documents,

papers or certificates which are necessary, desirable or appropriate to carry out the transactions contemplated by this Resolution and the New Agreements, in such forms as the President, the Vice President, the Secretary or the Treasurer executing the same shall determine to be proper, which determination shall be conclusively evidenced by the execution of the same.

Section 5. If any provision of this Resolution shall be held or deemed to be or shall be, in fact, illegal, inoperative or unenforceable, the same shall not affect any other provision of this Resolution or render any other provision of this Resolution illegal, inoperative or unenforceable to any extent whatsoever.

Section 6. This Resolution shall be in full force and effect immediately upon its adoption by the Authority.

Adopted this ____ day of _____, 2010.

INDIANAPOLIS AIRPORT AUTHORITY*

By _____
Michael B. Stayton, President

By _____
Alfred R. Bennett, Secretary

**Signed under authority of IAA Board Resolution 10-2009



Board Memo Hurdle Rate Policy

To: IAA Board of Directors
From: Marsha Stone, Chief Financial Officer
Date: February 9, 2011
Board Date: February 18, 2011
Subject: IAA Hurdle Rate Policy

Background

As part of an effort to manage the Authority's capital budgeting process more efficiently and transparently, the Authority staff has developed a hurdle rate policy (attached below) that includes a method of annually establishing a target hurdle rate, applying the policy to proposed capital projects, and reporting on the financial outcomes of capital projects that have been undertaken.

Current Status

Currently, financial analysis for proposed capital projects is performed, individually, by each project sponsor. It is difficult to compare the financial merits of projects across the organization due to the diverse methodologies and assumptions used across various departments. Furthermore, limited analysis on the actual financial performance of revenue-producing or expense-savings projects is undertaken subsequent to project completion. This policy will establish a formalized method of analyzing, comparing, and measuring the financial efficacy of the Authority's capital program, as well as setting a financial standard, or hurdle, that certain capital projects are expected to meet or exceed.

In drafting the hurdle rate policy, the Authority staff reviewed hurdle rate policies from other entities, solicited information from other U.S. airports, and consulted with the Authority's financial advisor. The initial hurdle rate established under this policy has taken several factors into account, including: (1) the Authority's "risk-free" rate of return which is estimated at six percent (6%). Six percent is the return that the Authority could achieve by repurchasing its outstanding debt; and (2) adding a risk premium, initially six and one-half percent (6.5%). The risk premium takes into account the fact that (a) the Authority has strategically planned to issue no additional debt to fund the five-year capital program through 2015 and (b) the "equity" capital of the Authority is limited under the recently approved Airline Use Agreement.

The initial hurdle rate has been reviewed with the Authority's financial advisor and the Finance and Audit Committee.

Recommendation

The Authority staff recommends the Board take action to adopt Resolution 2-2011, establishing the hurdle rate policy.

The staff has reviewed the policy with the Finance and Audit Committee.

RESOLUTION NO. 2-2011
RESOLUTION FOR THE ESTABLISHMENT
OF AN AUTHORITY HURDLE RATE POLICY

WHEREAS, the Indianapolis Airport Authority (the "Authority") is authorized to acquire, construct, improve, equip, and maintain a municipal airport and associated facilities and to construct and maintain airport facilities under Indiana Code §8-22-3-11; and

WHEREAS, the Authority is authorized to appoint a Treasurer under Indiana Code §8-22-3-20; and

WHEREAS, the Authority desires to calculate the internal rate of return on certain capital projects according to a hurdle rate policy that will be managed by the Treasurer; and

NOW, THEREFORE, BE IT RESOLVED, that the Authority does hereby:

- (1) Adopt the Indianapolis Airport Authority Hurdle Rate Policy ("Policy") which is attached hereto as "Exhibit A" and incorporated herein by reference; and
- (2) Instruct the Treasurer, or, in the Treasurer's absence, the highest ranking Authority staff person acting in a Treasury capacity, to report to the Authority's Finance and Audit Committee in accordance with, and as required by, the terms of the Policy.

APPROVED this ____ day of _____, 2011, at the regularly convened meeting of the Board of the Indianapolis Airport Authority.

INDIANAPOLIS AIRPORT AUTHORITY*

By _____
Michael B. Stayton, President

By _____
Alfred R. Bennett, Secretary

**Signed under authority of IAA Board Resolution 10-2009

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 of Resolution No. 2-2011 adopted by the Indianapolis Airport Authority Board on the ____ day of _____, 2011.

Alfred R. Bennett
Secretary, IAA

Indianapolis Airport Authority
Hurdle Rate Policy

1.0 Establishment of Hurdle Rate:

(A) *Purpose of Hurdle Rate Policy.* It is the policy of the Indianapolis Airport Authority ("Authority") to pursue capital projects that (1) maintain the infrastructure of the Authority to a high standard of quality, (2) provide for sufficient capacity to accomplish the Authority's mission in providing air service, (3) create a safe and secure environment for air service, (4) maintain satisfactory regulatory compliance with federal, state, and environmental laws, rules, and regulations, and (5) provide the highest risk-adjusted investment return. The ability to accomplish capital projects relies on the Authority's access to capital and is bounded by the Authority's access to free cash flow and the desire of the Authority to maintain a cost competitive airport system as measured by the rates and charges charged to airlines operating at the airport. This hurdle rate policy is established to provide guidelines on setting a hurdle rate and utilizing a hurdle rate as part of the Authority's capital budgeting and approval process.

(B) *Setting the Hurdle Rate.* The Treasurer shall calculate an appropriate investment rate of return that the Authority expects to receive from undertaking capital projects ("Hurdle Rate"). Such Hurdle Rate shall be submitted to the Finance and Audit Committee ("FAC") which shall establish an approved Hurdle Rate no later than December 31 of each calendar year for the ensuing calendar year. If a new Hurdle Rate is not approved by FAC, the previously approved Hurdle Rate will continue to be the Hurdle Rate utilized under this policy.

(C) *Initial Rate.* The initial Hurdle Rate set under this policy shall be 12.50%

2.0 Calculation of IRR:

(A) *Projects Subject to Hurdle Rate Policy.* All capital projects proposed to FAC for budgetary approval under Section 2(d)(iii) of Resolution 14-2010 shall be subject to this policy, except for the following types of projects:

(a) Projects that are intended to repair or replace existing infrastructure or equipment for which the Authority receives grant or PFC funding of not less than seventy-five percent (75%) of the project cost,

(b) Projects that are required by regulation by an outside legislative or regulatory authority, and

(c) Projects that, if not undertaken, would have a significant negative impact on the health, safety, or security of the Authority or any users of Authority property.

(B) *Responsibility for Calculation.* The risk-adjusted IRR shall be calculated by the Treasurer of the Authority for each project that is required to have an IRR calculation under this Hurdle Rate Policy in conjunction with the manager/sponsor of each project.

(C) *Presentation of Results.* The results of the IRR calculations shall be shared with FAC as part of the justification to approve the capital project budget under Section 2(d)(iii) of Resolution 14-2010.

3.0 Utilization of and Exceptions to Hurdle Rate Policy:

This Hurdle Rate Policy is not intended to be utilized as a standalone tool to recommend capital projects for approval. Certain projects under Section 2.0(A) of this Policy are exempt from this Hurdle Rate Policy. Furthermore, FAC shall, at its sole discretion, choose whether to recommend any project to the Authority Board for budgetary approval under Section 2(d)(iii) of Resolution 14-2010 whether or not the IRR for such project exceeds the Hurdle Rate established under this policy based on other business justifications.

The Hurdle Rate is intended to be a target aggregate rate of return that the Authority expects to achieve or exceed in undertaking capital projects subject to this Hurdle Rate Policy.

4.0 Reporting:

The Treasurer or the highest ranking Authority staff person acting in a Treasury capacity shall provide annual reports to the Finance and Audit Committee, which provide: (1) the projected internal rate of return for capital projects subject to this policy which are budgeted or proposed to be budgeted for the subsequent calendar year and (2) a ten-year historical analysis of projects subject to this policy with (a) the actual life-to-date internal rate of return on the projects and (b) the initially projected internal rate of return on the projects. The management report should include analysis of variance and comments on the potential reasons for the variance of actual to projected results.



Board Memo

Business Travel & Expense Reimbursement Policy

To: IAA Board of Directors
From: Jean Wojtowicz, Finance Committee
Date: February 3, 2011
Board Date: February 18, 2011
Subject: Business Travel & Expense Reimbursement Policy

Background

On October 15, 2010 the Finance and Audit Committee approved an interim Business Travel & Expense Reimbursement Policy. The Committee requested staff to develop robust procedures and guidelines to augment the interim policy. This revised and updated policy is intended to supersede all existing policies related to Business Travel and Expense Reimbursement. The Committee has reviewed the policy and the policy is in accordance with the guidance given to staff.

Recommendation

The Finance and Audit Committee have reviewed the Business Travel & Expense Reimbursement Policy and the Committee Chair requests that the Board adopt Resolution 3-2011 to institute the Business Expense & Travel Reimbursement Policy.

RESOLUTION NO. 3-2011

INDIANAPOLIS AIRPORT AUTHORITY

BUSINESS TRAVEL AND EXPENSE REIMBURSEMENT POLICY

WHEREAS, the Indianapolis Airport Authority (the "IAA" or the "Authority") is a municipal corporation organized under Indiana Code §8-22-3, with authority to exercise executive and legislative functions; and

WHEREAS, Indiana Code §8-22-3-9 and 8-22-3-11 permit the Authority's board of directors (the "Board") to adopt a system of rules and procedures, and supervise its internal affairs and employ personnel, necessary to carry out the duties, functions, and powers of the Board; and

WHEREAS, the Board's Finance & Audit Committee approved an interim Business Travel & Expense Reimbursement Policy at its October 15, 2010 meeting (the "Interim T&E Policy"); and

WHEREAS, the Board considers it appropriate and efficient to approve and adopt a more detailed, extensive and final business travel and expense reimbursement policy.

NOW, THEREFORE, BE IT RESOLVED, that the Authority does hereby:

(1) Adopt the Business Travel and Expense Reimbursement Policy (the "Final T&E Policy") which is attached hereto as "Exhibit A" and incorporated herein by reference.

(2) With the adoption of the Final T&E Policy, the Interim T&E Policy is and shall be superseded and repealed in its entirety and of no further force or effect.

APPROVED this 18th day of February, 2011 at the regularly convened meeting of the Board of the Indianapolis Airport Authority.

INDIANAPOLIS AIRPORT AUTHORITY*

By _____
Michael B. Stayton, President

By _____
Alfred R. Bennett, Secretary

*Signed under authority of IAA Board Resolution 10-2009

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 of Resolution No. 3-2011 adopted by the Indianapolis Airport Authority Board on the 18th day of February, 2011.

Alfred R. Bennett, Secretary



1.0 PURPOSE

- 1.1 To establish policies and procedures governing the authorization, approval and payment of Travel-related and other Business Expenses by Indianapolis Airport Authority ("IAA" or "Authority") employees and other authorized individuals.

2.0 SCOPE

- 2.1 All Travelers and/or employees who incur Business Expenses on behalf of IAA.

3.0 GENERAL POLICY

- 3.1 All employees/Travelers shall exercise the same care in incurring business and travel-related expenses that a prudent person exercises when spending his/her own money or traveling on personal business.
- 3.2 It is the responsibility of the Traveler/employee to be knowledgeable of the nature and extent of allowable Business Expenses and to comply with this administrative policy and procedure ("Policy").
- 3.3 IAA shall pay, directly or through reimbursement, all reasonable, appropriate, and adequately supported Business Expenses while attending professional conferences, training seminars, business meetings, and/or for other activities required or necessary to conduct IAA business.
- 3.4 All requests for exceptions to this Policy must be clearly explained in writing, supported by appropriate external documentation, and approved on the *Travel Approval Form* or the *Business Expense Reimbursement Form* by the approver listed in Section 4.4.1. Business Expenses not authorized by this Policy shall be the sole responsibility of the Traveler/employee.

4.0 RESPONSIBILITIES

4.1 Travelers:

- 4.1.1 Remain knowledgeable of, and comply with, this Policy.
- 4.1.2 Complete and submit for approval a *Business Expense Reimbursement Form* that summarizes and settles all the Business Expenses for a trip (even if there are amounts due the Traveler or IAA).

4.2 Travelers' Supervisors (Approving Officials):

- 4.2.1 Ensure that all department employees have access to, and comply with, this Policy.
- 4.2.2 For *Travel Approval Forms*, ensure that adequate travel budget funds are available.
- 4.2.3 For *Business Expense Reimbursement Forms*, ensure that all items submitted for reimbursement are reasonable, appropriate and allowable, and all required documentation is attached.

4.3 The Finance Department:

- 4.3.1 Disburses reimbursements in accordance with this Policy.
- 4.3.2 Maintains and makes available the published IRS standard mileage rate.
- 4.3.3 Issues, tracks, and records Travel Advances and reimbursements, and provides updated *Travel Approval Forms* and *Business Expense Reimbursement Forms*. Forms can be accessed on the IAA intranet under: Departmental sites >>Financial Services>>Forms.
- 4.3.4 Reviews *Business Expense Reimbursement Forms* for mathematical accuracy and compliance with this Policy, and returns, for modification or additional support, reimbursement forms that do not fully comply.



Indianapolis Airport Authority
ADMINISTRATIVE POLICY AND PROCEDURE
Business Travel and Expense

- 4.3.5 Includes amounts in taxable income for those employees who do not provide signed *Business Expense Reimbursement Forms* or do not return Travel Advances within IRS guidelines.
- 4.3.6 Provides this Policy to IAA’s travel agent, and requires the travel agent to acknowledge that it understands and will comply with the Policy.
- 4.3.7 At least annually, provides training about this “Administrative Policy and Procedure” to Travelers and/or employees who incur Business Expenses.
- 4.4 Approvals of Trip Requests, Expenses, and additional guidance on obtaining approval on Exceptions:
 - 4.4.1 The following approvals shall be required for Travel and Business Expenses:

Traveler	Required Approval
Executive Director/CEO	Internal Audit Director
CIO,COO,CFO,CCO,General Counsel ("Executive Team")	Executive Director/CEO
Internal Audit Director	Finance and Audit Committee Chair
Directors & Managers	Appropriate Executive Team member
Other	Directors, Managers or Supervisors with appropriate delegated financial authority or Executive Team member

- 4.4.2 The approvals outlined for the Executive Director/CEO and the Internal Audit Director are limited to approval of *Business Expense Reimbursement Forms*.
- 4.4.3 International Travel requires the written approval of the Traveler’s Executive Team member or the Executive Director/CEO.
- 4.4.4 All exceptions to this Policy require the written approval of one of the following individuals: the Traveler’s Executive Team member, or the Executive Director/CEO.
- 4.4.5 The Traveler shall prepare a written justification for each requested exception to this Policy. When possible, approval of exceptions shall be received prior to Travel (as part of the *Travel Approval Form*). Exceptions may be granted when they are justified as being reasonable under the circumstances and in the best interest of IAA.
- 4.4.6 The Executive Director/CEO and the Internal Audit Director shall prepare written justification for any required exceptions pertaining to their Travel expenses and shall obtain the prior written approval of the Board Chair, which must be included with the *Business Expense Reimbursement Form*.
- 4.5 Periodic review of Executive Director/CEO Business Travel and Expense:
 - 4.5.1 Quarterly, the CFO shall present to the Board Chair all Business Travel and expenditures of the Executive Director/CEO. The CFO shall handle adjustments for any expenditure disallowed by the Chair.

5.0 PROCEDURE, GUIDELINES and POLICY

5.1 Authorizing Travel:

5.1.1 Traveler obtains approval using the *Travel Approval Form* by doing and including the following:

- 5.1.1.1 Traveler shall prepare form in advance of Business Travel.
- 5.1.1.2 Detail and descriptions that explicitly illustrate the purpose of the planned Travel.
- 5.1.1.3 Estimated costs for all aspects of the planned Travel.
- 5.1.1.4 Travel Advance amount if required (processing time to receive Travel Advance is a minimum of one regular Monday to Friday work week).
- 5.1.1.5 All other relevant details needed for the Travel Coordinator to book hotel rooms, flights, and register for conferences and training courses.
- 5.1.1.6 Documentation of all proposed exceptions to this Policy that are known at the time of the Travel request.
- 5.1.1.7 Submission to approver listed in Section 4.4.1.
 - 5.1.1.7.1 The Executive Director/CEO must notify the Board Chair of all International Travel or Travel outside the continental United States (Mexico, Canada, Hawaii, Alaska, Europe and Asia) before the trip reservations are completed. A notation that the notification was completed should be made on the first page of the attachments to the *Business Expense Reimbursement Form* that summarize the expenditures for each trip.
 - 5.1.1.7.2 International Travel or Travel outside the continental United States (Mexico, Canada, Hawaii, Alaska, Europe and Asia) must be submitted to the Executive Director/CEO or his/her Executive Team Member for approval at least four (4) weeks in advance of departure.

5.1.2 Approver communicates approval of *Travel Approval Form* by signature on the actual document which is then scanned and e-mailed or by direct e-mail forward of the electronic version of the form with notification of approval to the Travel Coordinator.

5.1.3 Travel Coordinator

- 5.1.3.1 The Travel Coordinator will provide a confirming receipt e-mail to the Traveler and the approvers that the *Travel Approval Form* has been received. The Travel Coordinator will at this point begin the reservation process.
- 5.1.3.2 If the Travel Coordinator finds that the actual costs for Travel exceed the estimated costs by more than 10%, the *Travel Approval Form*, with the confirmed information, will be e-mailed to the Traveler so approval may be obtained considering the increased cost (approvals starting again at section 5.1.1.7).
- 5.1.3.3 If Travel Advance is requested, the Travel Coordinator will forward the *Travel Approval Form* and approval e-mail string to Accounts Payable (Payables). This will provide Payables the proper approvals necessary to proceed with issuance of a cash advance to the Traveler. Upon receipt of the Travel Advance request, Payables will provide a confirming e-mail to the Traveler and the Travel Coordinator and indicate the date that the check is anticipated to be available.



5.1.3.4 All confirmations and details are communicated directly to Traveler as reservations and details are confirmed.

5.2 Changes to Authorized Travel:

5.2.1 Notification is required to the Travel Coordinator when:

5.2.1.1 Adding additional fees for registrations;

5.2.1.2 Changing flight information;

5.2.1.3 Changing hotel information;

5.2.1.4 Changing dates; or

5.2.1.5 Cancellations.

5.2.1.5.1 Airline regulations require that reservations on nonrefundable tickets be canceled prior to departure in order to reuse and apply credits towards future Travel.

5.2.2 Travel Coordinator will notify Traveler and approvers (see section 4.4.1) of the cost and details associated with changes to Travel in accordance with section 5.1.3.2.

5.3 Personal Travel Profiles Forms:

5.3.1 All Travelers should complete a Personal Traveler Profile at https://www.confvtl.com/biz_profile.htm. This form provides details required for booking airfare and considering special needs or requirements.

5.3.2 The Traveler is responsible for updating his/her Personal Traveler Profile (at least once a year and more frequently if there are significant changes) and informing his/her Travel Coordinator that updates have been made. This includes phone numbers, medical restrictions, special meal requirements, emergency contact information, airline and hotel rewards program numbers, and seat preferences.

5.4 Air Travel:

5.4.1 Travel restrictions:

5.4.1.1 No more than a total of five (5) staff members, three (3) directors, or two (2) Executive Team members shall travel on the same flight. These totals are not cumulative but rather define the maximum number of staff on any flight at five (5) with additional limitations of the number of directors and Executive Team members in the composition of the five (5).

5.4.1.2 Travelers must NOT volunteer for denied boarding compensation when on Authority Business Travel.

5.4.1.3 Travelers must NOT travel to countries for which the State Department has issued a travel advisory. When in doubt, a Traveler should contact the Travel Coordinator to obtain a list of current advisories. Travel Advisors/Consular Info Sheets can be obtained from the U.S. Department of State Bureau of Consular Affairs at <http://travel.state.gov>.

5.4.2 Airline reservations shall be booked as far in advance as possible to take advantage of discount fares. The lowest available fare (within the authorized booking class) that reasonably allows the Traveler to be at his/her destination in time to conduct IAA business should be booked.

5.4.2.1 Considerations in determining lowest available fare:



Indianapolis Airport Authority
ADMINISTRATIVE POLICY AND PROCEDURE
Business Travel and Expense

- 5.4.2.1.1 Specifically-negotiated fares;
 - 5.4.2.1.2 Non-refundable fares;
 - 5.4.2.1.3 Advance purchase fares;
 - 5.4.2.1.4 Connecting and one-stop fares;
 - 5.4.2.1.5 Off-peak flights;
 - 5.4.2.1.6 Promotional or bulk fares;
 - 5.4.2.1.7 Saturday/Sunday night stay-over; and
 - 5.4.2.1.8 Alternate Airports.
- 5.4.3 If the primary purpose of the Travel is to visit a specific airline, it is acceptable to book a flight on that airline even if the airline does not offer the lowest fare available.
- 5.4.4 Limits for booking class of airline tickets are as follows:

Scheduled Trip Duration	Highest Booking Class to be Paid/ or Reimbursed
Less than 7 hours	Economy (e.g. coach)
7 hours or more	Business (if available) otherwise, Business equivalent
Domestic segments of international trips and International destinations of any duration	Business (if available) otherwise, Business equivalent

- 5.4.5 Travel shall be booked to arrive at the destination in time to conduct IAA business, and scheduled to return soon after the conclusion of the required business. If the Traveler elects to arrive earlier or stay later than reasonably necessary to conduct the business, the Traveler will be responsible for all additional costs beyond the Constructive Travel Time.
- 5.4.6 Occasionally, a Traveler may be able to save money by arriving early or staying later (i.e., the airfare differential is sufficient to cover the cost of an additional night in the hotel plus meal or other expenses). In these situations, the Traveler may arrive early or stay late, provided that the documentation attached to the *Business Travel Request Form* clearly demonstrates that cost savings will be achieved. If the additional days are the employee's scheduled work days, the employee shall either work remotely (if approved), or charge the time to the appropriate paid time off pay code in E-Time or applicable time sheet.
- 5.4.7 While not encouraged, airline tickets may be purchased directly by the Traveler if the fare is substantiated to be lower than that offered by IAA's Travel Coordinator or travel agency.
- 5.4.8 Travelers shall not, under any circumstances, request a personal refund for any unused ticket purchased (either directly or through a reimbursement) with IAA funds. Unused tickets/vouchers (including "e-tickets") shall be returned to the Travel Coordinator for later business use.



5.4.9 Employees shall not request a particular airline or routing to accumulate mileage in a frequent flyer program when lower cost accommodations are available on other airlines.

5.4.10 International Trips:

5.4.10.1 Employees may work with the Travel Coordinator to obtain citizenship documentation requirements for all international Travel, including assistance obtaining any required visa applications. It is the Traveler's responsibility to allow sufficient time to obtain the proper entry documentation for a business trip.

5.4.10.1.1 All fees for passports and visas shall be reimbursable and expensed to the individual's department.

5.4.10.1.2 Cost of preventative pre-trip immunizations and other medications for diseases and illnesses (e.g., malaria) are reimbursable.

5.4.11 Reasonable airline baggage fees are reimbursable.

5.5 Personal Vehicles.

5.5.1 IAA provides a pool of staff cars to use for Business Travel within Marion County and the eight surrounding counties. Generally, staff cars are not intended for Travel outside this nine county area. Exception to this general guideline can be granted by the Chief Operating Officer (COO).

5.5.2 The use of personal vehicles for Business Travel within Marion County and directly adjoining counties is reimbursable using the current IRS Standard Mileage Rate.

5.5.3 If a Traveler is authorized to use his/her personal vehicle (or to rent a vehicle) for Travel in lieu of air travel, the Traveler may be reimbursed the lesser of: (1) the total mileage cost computed using the current IRS Standard Mileage Rate plus toll, hotel parking and other parking fees, and additional meal and lodging costs resulting from the extended travel time; or (2) the lowest round-trip airfare plus reasonably estimated destination transportation costs (e.g., taxis and airport shuttles).

5.5.3.1 The Traveler must request and receive approval of this option in advance;

5.5.3.2 The Traveler shall document the cost difference of each alternative and attach this information to the *Travel Approval Form* when submitting the form for approval; and

5.5.3.3 The Traveler shall use accrued vacation or personal time for vehicle travel time that exceeds the travel time that would have been required using scheduled air service (including land travel time that would be required to get to final destination).

5.5.4 Employees are responsible for sufficiently insuring their personal vehicles. IAA is not responsible for damage to, or loss of use of, personal vehicles when used for Business Travel. If an employee is involved in an accident in his/her personal vehicle while on IAA business, he/she shall file an accident report with the police and file a claim through his/her personal insurance agency.

5.5.5 Staff using personal vehicles while on business shall be covered only under the IAA's Automobile Liability Insurance Policy on an excess basis. In other words, the employee's personal auto liability policy is a primary, and, if exhausted, the IAA's liability coverage would provide excess protection.

5.6 Rental Vehicles.



- 5.6.1 Travelers may use rental vehicles while at their travel destination if other modes of transportation, such as taxicabs and airport shuttles, are not economical or cannot reasonably accommodate transportation requirements.
- 5.6.2 Rental vehicles shall be intermediate class or smaller, unless three or more Travelers are sharing the vehicle. The Traveler shall request any discount rates to which the Traveler is entitled (e.g., state contracts). The most economical option that will accommodate the need should be selected.
- 5.6.3 Collision and/or damage insurance:
 - 5.6.3.1 The collision and/or damage insurance offered in the US and Canada by the rental car company shall be declined. IAA has collision and damage coverage through its insurance company. Collision and/or damage insurance accepted will not be reimbursed.
 - 5.6.3.2 International car rentals (excluding Canada) shall include maximum liability, collision, and/or damage insurance. If the rented vehicle is to be driven into several foreign countries, the rental car company shall be notified in advance, as additional insurance coverage may be required.
- 5.6.4 Travelers shall select the rental vehicle refueling option anticipated to be the most economical for IAA.
- 5.6.5 The costs associated with a rental vehicle that is used both for Business Travel and for personal use (beyond the duration required for business use) shall be reimbursed on a pro rata daily basis. Fuel and mileage charges resulting from more than incidental personal use of the vehicle—and hotel and other parking fees during personal use of the rental vehicle—shall not be reimbursed.
- 5.6.6 It is the Traveler's responsibility to inspect the physical condition of the rental car prior to driving it from the rental car company's lot. Damages shall be reported immediately. It is also the Traveler's responsibility to review all charges to ensure accuracy prior to leaving the rental counter.
- 5.6.7 In the event of accident while driving a rental car, the Traveler shall do the following:
 - 5.6.7.1 Exchange driver information but DO NOT ADMIT FAULT;
 - 5.6.7.2 Take the names, addresses and phone numbers of any witnesses;
 - 5.6.7.3 Obtain a copy of any Police Report and the name and badge number of the police officer(s) at the scene. Ask the officer(s) if any state or local accident forms must be filed;
 - 5.6.7.4 Call the rental car location where rental car was picked up;
 - 5.6.7.5 Call your department manager. If not available, call a Travel Coordinator; and
 - 5.6.7.6 If you are injured, inform the medical facility that you are covered under the IAA's Workers Compensation. All bills and correspondence must be sent to IAA's Workers Compensation Administrator.
- 5.7 Other Transportation Costs:
 - 5.7.1 Actual expenses incurred for reasonable and necessary taxi, airport shuttle, train, and other destination transportation costs (including gratuities) shall be reimbursed. Receipts shall show the date, fare, origin and destination. Public transportation costs shall be reimbursed only in



conjunction with Business Expenses (e.g., to/from site, to/from hotel, to/from restaurants), and in lieu of car rental expenses.

5.7.2 Travelers shall not be reimbursed for the cost of Travel between their personal residence and IND Airport to begin or end a business trip.

5.7.3 Rail Transportation:

5.7.3.1 All rail transportation shall be economy class (e.g., coach). First class accommodations are not permitted unless it is less than or equal to the price of an economy class (e.g., coach) airline ticket for the same trip.

5.7.4 Valet parking shall NOT be reimbursable unless required by hotels, restaurants, meeting facility, etc.

5.7.5 Road, bridge and tunnel tolls, ferry fares, as required for Business Travel, are reimbursable. A receipt shall be required for the full amount incurred.

5.7.6 Reasonable tips for transportation of baggage, not exceeding one dollar per bag transfer, limited to three dollars per transfer.

5.8 Lodging:

5.8.1 The Travel Coordinator shall book hotels at single occupancy or standard business room rates. Whenever possible, the conference rate or a Government rate shall be sought for all lodging. In the event a conference hotel is booked, the next available hotel, nearest the conference hotel, shall be booked.

5.8.2 The Travel Coordinator shall pre-pay all hotel accommodations and should be advised of special convention/meeting rates and be provided with convention material relating to hotel/travel accommodations, or the web site where such information can be obtained.

5.8.3 Traveler must reconfirm the government, corporate, or discount rate upon check-in. The confirmed rate appears on the Traveler's travel itinerary provided by the Travel Coordinator. The Traveler should also inquire as to whether there is a less expensive rate for which he/she qualifies.

5.8.4 Awards from a frequent guest program for a hotel may be retained by Traveler for personal use. Participation in these programs must not influence hotel selection that results in increased incremental costs to IAA. Membership fees for frequent guest programs are not reimbursable.

5.8.5 Amenities such as sauna, spa, facial, movies, etc., shall not be reimbursed unless included in the base hotel room rate. Reasonable fitness center access fees are reimbursable.

5.8.6 Hotel receipts shall be itemized to reflect all charges for the entire stay. If the *Expense Reimbursement Form* is not completed and submitted to the appropriate Travel Coordinator within 5 business days of returning from a trip, copies of the itemized hotel receipts should be provided to the Travel Coordinator to provide support for charges on IAA's credit card (or P-Card).

5.9 Conference/Seminar Registration Fees:

5.9.1 Actual expenses for conference and meeting registrations are reimbursable. Direct or advance payment of registration fees by a Travel Coordinator is encouraged to take advantage of any discounts available.



5.9.2 Travelers shall attach to the *Business Expense Reimbursement Form* the conference or meeting registration documents (when applicable) that show (1) the meeting dates and times, (2) the conference hotel(s) and rates, and (3) the meals that are included in the registration fees.

5.10 Meals and Other Incidental Expenses:

5.10.1 IAA does not provide per diem reimbursement. Itemized receipts for Business Expenses should be provided with the completed expense report. Absolutely NO ALCOHOLIC beverages will be reimbursed as part of IAA expenses.

5.10.2 Receipts must also be provided for Business Expenses (no dollar limit), and a *Business Expense Reimbursement Form* completed to obtain reimbursement.

5.10.3 Laundry and dry cleaning expenses, as necessary, shall be reimbursable in the event of an emergency (e.g., coffee spill on Traveler's only shirt), for extended stays of five (5) days or more, and for international Travel.

5.10.4 IAA shall reimburse the daily connection fee for internet service for those employees who Travel with IAA-issued laptops used for business purposes.

5.10.5 Employees shall be solely responsible for any personal property lost or stolen while traveling.

5.10.6 Personal Entertainment expenses are not reimbursable.

5.10.7 IAA complies with all IRS regulations concerning the taxation of fringe benefits.

5.11 Guests traveling with Traveler:

5.11.1 Travel arrangements (air, train, car or hotel reservations) and expenses for guests traveling with an IAA employee shall be considered Personal Expenses and the Traveler's sole responsibility.

5.12 Eligible / Ineligible expense examples and guidelines:

5.12.1 Expenses which are generally reimbursable (include but are not limited to):

5.12.1.1 Currency exchange fees;

5.12.1.2 Approved airline penalty or change fees;

5.12.1.3 Approved rental car;

5.12.1.4 Parking fees for approved rental car (reasonable and customary charges);

5.12.1.5 Insurance in foreign countries for approved rental car;

5.12.1.6 Laundry and dry cleaning expenses when meeting or conference exceeds five (5) days;

5.12.1.7 Parking fees for local Business Travel (reasonable and customary charges);

5.12.1.8 Passport and visa fees for Business Travel;

5.12.1.9 Preventative international pre-trip immunizations and other medications for diseases and illnesses (e.g., malaria);

5.12.1.10 Postage (business related);

5.12.1.11 Taxi and shuttle fares and tips (reasonable and customary charges);



- 5.12.1.12 Telephone calls;
- 5.12.1.13 Tips for meals (only the reimbursable portion of the total expense) should be included with the cost of the meal and may be no more than 20% (amount in excess of 20% are not reimbursable);
- 5.12.1.14 Valet parking services (when required by the hotel);
- 5.12.1.15 Emergency clothing (e.g., luggage lost more than 24 hours);
- 5.12.1.16 Basic toiletries (e.g., luggage lost more than 24 hours);
- 5.12.1.17 Check baggage fees imposed by airline ;
- 5.12.1.18 Costs not absorbed by airline due to a forced layover, provided the cost is less than the next lowest available airfare;
- 5.12.1.19 Fees for hotel safety box fees for storage of cash or other valuables when necessary;
- 5.12.1.20 Reasonable tips for transportation of baggage (see 5.7.6); and
- 5.12.1.21 Foreign currency conversion service fees for international Travelers (foreign currency exchange fees are identified on some credit card statements as a service fee).
- 5.12.2 Expenses which are generally NOT reimbursable (include but are not limited to):
 - 5.12.2.1 Airline club dues /membership fee or frequent flyer programs;
 - 5.12.2.2 Air travel, rental car and other personal trip insurance (except car rental in a foreign country);
 - 5.12.2.3 Alcoholic beverages;
 - 5.12.2.4 Personal reading materials or services;
 - 5.12.2.5 Personal Entertainment (including Tours/cruises/dinner cruises);
 - 5.12.2.6 Personal Expenses;
 - 5.12.2.7 Travel related to Personal Entertainment;
 - 5.12.2.8 Fines for parking, speeding, court costs;
 - 5.12.2.9 Insurance (travel related – luggage, life, or car – except foreign car rental);
 - 5.12.2.10 Movies, video and game rentals;
 - 5.12.2.11 Spouse, family, and friends accompanying Traveler;
 - 5.12.2.12 Medications, such as prescriptions or over-the-counter medicine (Advil, Tylenol, etc.);
 - 5.12.2.13 Credit card fees (foreign currency translation fees are reimbursable but not interest, late fees, surcharges, etc); and
 - 5.12.2.14 Items or services from any source in which the Traveler has a direct or indirect financial interest, such that it or they would be prohibited by IAA's Ethics Code.
 - 5.12.2.15 Fines or penalties.

6.0 BUSINESS DEVELOPMENT EXPENSES



- 6.1 Business development meal, beverage (excluding alcoholic beverages), entertainment (including golf, sporting event tickets, games, concerts, etc), and other similar expenses may be incurred locally or while traveling. When the Executive Director/CEO, an Executive Team member, the Air Service Director, Business Development Director or Business Development team members engage in business development activities that require him/her to meet with non-IAA personnel, the employee may be reimbursed for actual, reasonable, and properly documented expenses related to such business development activity.
- 6.2 Generally, the highest ranking IAA employee in attendance shall pay for business development expenses. If the highest ranking employee does not pay, the reimbursement request must be approved using the defined approval requirements of the highest ranking employee in attendance.

7.0 COMPLETING BUSINESS EXPENSE REIMBURSEMENT FORMS

- 7.1 Each Traveler is responsible for his/her own Travel expenses, reimbursements, and advances in full.
- 7.2 Within 30 days of return, each trip should be separately reconciled and settled (including those costs that were prepaid by the Travel Coordinator.)
- 7.3 *Business Expense Reimbursement Forms* shall include—to the extent the documentation was not originally included with the *Travel Approval Form*—all documentation (including explicit identification of those who reimbursements relate to or include), justifications, and approvals required by this Policy (including a copy of the first page of the approved *Travel Approval Form*).
- 7.4 Travelers shall submit detailed receipts with their completed *Business Expense Reimbursement Form*. Small receipts must be taped to one side of an 8 ½" x 11" piece of paper. Several small receipts may be attached to a single sheet using transparent tape. DO NOT STAPLE OR OVERLAY RECEIPTS ON TOP OF ONE ANOTHER. Receipts must be affixed so that all detail and amounts are clearly visible for copying purposes. In the event a receipt is not available, a short note should be provided that identifies the detailed receipt is missing, and that no unauthorized items are represented by the expense.
- 7.5 Upon completion, the *Business Expense Reimbursement Forms* should be sent to the Traveler's Supervisor/Manager and/or Budget Holder for approval. All approved Expense Reports that include Travel booked by the Travel Coordinator must be forwarded to the Travel Coordinator who will review the form and submit to the Finance Department for processing.
- 7.6 The Finance Department completes the final review and approval prior to issuing reimbursement.
- 7.7 IAA reserves the right to withhold reimbursement for any expenses for which the employee does not have appropriate receipts, or for which the applicable approver ascertains are excessive and/or reflect irresponsible spending.

8.0 RECRUITMENT & RELOCATION EXPENSES

- 8.1 The Executive Director/CEO, or his/her designee, may approve the payment of recruitment and relocating expenses for persons being considered for top level executive or professional positions, and for persons who have been newly hired in such positions but have not yet found a residence in the local community. Recruitment expenses may also be paid to and for any such person who is a bona fide candidate. Relocation expenses may be paid only to or on behalf of any such person who has been offered and who has accepted employment with the Authority.
- 8.2 Executive Team members may approve recruitment and relocating expenses under \$1,000. Amounts above \$1,000 must be approved by the Executive Director/CEO.



8.3 The Human Resources Department must be notified of all relocation expenses so proper tax reporting can be completed.

9.0 FRAUDULENT CLAIMS

9.1 Abuse or violation of this Policy, including, but not limited to, falsifying expense reports to reflect inaccurate or inappropriate Business Expenses, shall be grounds for disciplinary action, up to and including termination of employment.

10.0 DEFINITIONS

10.1 Approval. Proof of authorization that can be demonstrated by actual signature or e-mail.

10.2 Business Expense. Costs for food, lodging, meeting, transportation, and other costs referenced in this Policy and incurred in conjunction with an IAA related or approved activity.

10.3 Business Expense Reimbursement Form. The Traveler's/employee's statement to IAA detailing Business Expenses incurred for which IAA or the employee may be due payment. IAA has established a standard form that shall be used.

10.4 Business Travel. Trips taken by Travelers in the course of performing their IAA duties, including trips to conferences, seminars, meetings and workshops, and for business or professional development.

10.5 Constructive Travel Time. If personal business is conducted during Business Travel, reimbursement for lodging and meals shall be based on, and only approved for, the Travel time which commences at the lesser of the time the Traveler actually began Travel or the latest time required to arrive at the destination to accomplish the purpose of the Travel, the same for the return trip and the time to accomplish the purpose of the Travel.

10.6 IRS Standard Mileage Rate. The cost per mile, reimbursable to Travelers when using a privately-owned vehicle on IAA business, based on the current IRS rate.

10.7 Personal Entertainment. Entertainment that is not necessary to complete one's duties and/or is inconsistent with the purpose of the trip. (Examples of Personal Entertainment include, but are not limited to: social activities not held in conjunction with a conference or seminar; theater, concert, or movie visits; and movie rentals.)

10.8 Personal Expenses. Expenses not necessary to complete the purpose of the Business Trip. Examples of Personal Expenses include, but are not limited to: personal transportation effects (toiletries, souvenirs, and magazines); Personal Entertainment; and costs for Travel, automobile, and lodging upgrades (except complimentary or promotional upgrades for Business Travel).

10.9 Principal Workplace. Public office, public building or public facility where the Traveler performs most of his/her official duties, or where he/she reports to receive instructions and to be paid.

10.10 Procurement Card. IAA authorized credit card issued to an IAA employee that has established limits on both allowable business classification types and amounts of purchase.



Indianapolis Airport Authority
ADMINISTRATIVE POLICY AND PROCEDURE
Business Travel and Expense

- 10.11 Travel. Other than approved recruitment or relocation expense, only those situations that require a Traveler to journey away from Indianapolis International Airport or one of the reliever airports in order to conduct business for the Authority. Official travel status commences from the time a Traveler departs his/her home or Principal Workplace to the time of return to that location. Time spent conducting personal business shall not be included within the time spent on official travel status.
- 10.12 Travel Advance. Funds advanced to a person for the purpose of covering estimated allowable expenses to be incurred while traveling to conduct IAA business. Generally cash advances are allowable if Travel is longer than two business days, Traveler does not have a personal credit card, and for Travel outside the continental United States.
- 10.13 Travel Approval Form. Form prepared and approved in advance of Travel to estimate and authorize business trip expenses.
- 10.14 Travel Coordinator. The IAA representative or representatives responsible for making travel, conference, training and reservations. The Executive Director/CEO appoints employees to fulfill this role.
- 10.15 Traveler. IAA employees and other authorized individuals who are engaged in travel related to IAA business.

11.0 POLICY APPROVAL / REVISION HISTORY

- | | | |
|------|------------|--|
| 11.1 | 10/15/2010 | Original document approved by IAA's Finance and Audit Committee |
| 11.2 | 02/03/2011 | Procedures, Recruitment & Relocation, Fraudulent Claims, and Definitions sections added |
| 11.3 | 02/18/2011 | Human Resources Policy & Guidelines section 607 – BUSINESS TRAVEL EXPENSES – Superseded by this policy & procedure as adopted by Board |



Board Memo Land Use Study

To: IAA Board of Directors
From: Mark Hedegard, Senior Business Development Director
Thru: Marsha Stone, Chief Financial Officer
Board Date: February 18, 2011
Subject: Resolution No. 4-2011, Land Use Plan

Background

On December 16, 2010, Landrum & Brown (L&B) submitted its final draft of the Indianapolis Airport Land Use Study to the Land Use Advisory Committee (LUAC) for review and comment. The LUAC, in its capacity as an advisory group, endorsed the plan at this meeting. Subsequently, the plan was submitted for review and comment to the IAA Board in a pre-board session on December 17, 2010.

During this pre-board meeting, the Board discussed the overall plan and various land use policies and guidelines associated with the implementation of this plan. Agreement on these policies and guidelines was reached, subject to further considerations from the private sector development community and the various governmental jurisdictions adjacent or in close proximity to the IAA's airports.

Governmental Jurisdictions

On January 14, 2011, a joint county meeting of Hendricks, Marion and Morgan county governmental entities was held at the IAA Board Room. Attendees were as follows:

Hendricks County

- Al Bennett – IAA Board Member
- Rich Carlucci – Plainfield Town Manager
- Don McGillen – County Transportation
- Phyllis Palmer
- Joe James
- John Ayres – County Engineer

Marion County

- Bob Cockrum

Morgan County

- Lynn Gordon – IAA Board Member
- Jeff Quyle – County Council Member for North Morgan County
- Joy McCarthy Sessing – Executive Director of the Morgan County Economic Development Corporation
- Melanie DePoy – Land Use Advisory Member
- John Ehrhart – President, Morgan County EDC
- George Watkins – President, Mooresville Town Council

The purpose of this meeting was to review the airport's final land use plan and solicit comments and other input from the gathered representatives. There was general acceptance of the plan. Further discussion centered around the concept of forming a multijurisdictional entity to help with the identification and formation of future guidelines to promote the regional impact of the "Aerotropolis" concept. Additional focus and discussion was centered on the land in Zone 7 (Sustainability Zone/Area) of the plan. Agreement was reached to proceed with a direction to create community plans to support and implement the concepts proposed in the land use plan for this zone.

Private Sector Commercial Development Community

Over the course of the past 60 days, contact was made with twelve (12) individual development companies which are focused on commercial development. These firms are noted below:

- Majestic Realty (California based, logistics developer)
- Black Ridge Real Estate (California and Denver based logistics developer)
- Duke Realty (Indianapolis based office and commercial developer)
- Browning (Indianapolis based office and commercial developer)
- Prologis (Denver based logistics developer)
- Trammel Crow (Dallas based logistics developer)
- Hillwood (Dallas based commercial developer)
- REI (Indianapolis based developer)
- Meyer Najem (Fishers, IN based developer)
- GAZ Realty (NY based developer)
- Aeroterm (Maryland based air-cargo/commercial developer)
- AFCO (Washington D.C. based air-cargo/commercial developer)

A general review of the overall land use plan was presented to each firm along with more specific detail regarding Zones 1, 4 & 5. Land use policies and guidelines were also discussed during these meetings. Of these companies, Prologis and Trammel Crow declined interest in reviewing the plan as Indianapolis is not a market in which they are currently pursuing future investment. The other companies all expressed interest and support of the land use plan.

The most common issues or themes raised by these organizations are noted below:

- Need for some type of incentive to compete with the incentives (10 year tax abatements) provided by competing communities, both nationally and locally (i.e., Plainfield, Avon, Indianapolis/Ameriplex)
- If leasing land (rather than selling), long term ground leases (55 years) are necessary to secure financing and investment interest.
- Infrastructure improvements may be required by land owner.
- Market demand is soft today (except for build-to-suit) but should improve in next 3-5 years.
- Need to have "clean" environmental sites.

Financial Implications

The L&B Land Use Plan contains extensive revenue and cost projections regarding the development of both landside and airside zones/sites over a 30-year planning horizon. These financial parameters including return on investment will be evaluated on a case by case basis as the land use plan is implemented. It is the intent of the IAA to lease, not sell, land development sites and to look to the private sector development community to assume financial risk on future development opportunity.

The IAA is developing a detailed implementation plan and associated marketing budget projection for 2011. The proposed budget and funding sources will be presented for review and approval at the March Board meeting.

Recommendation

The L&B Land Use Plan, as reviewed by the Board on December 17th, as well as the Board's recommended policies and guidelines supporting this plan as represented in Board Resolution No. 4-2011 are appropriately aligned with the IAA's 2010-2015 strategic plan and should be formally adopted by the Board. Implementation of this plan should commence immediately and IAA staff should consider this plan as a high priority for the 2011-2015 airport strategic plan period. Periodic updates on the marketing and implementation of this plan will be provided to the Board.

RESOLUTION No. 4-2011

INDIANAPOLIS AIRPORT AUTHORITY

LAND USE PLAN

WHEREAS, on April 16, 2010, the Board of the Indianapolis Airport Authority ("IAA") adopted a five (5) year strategic plan for calendar years 2010-2015 (the "IAA's Strategic Plan");

WHEREAS, a key element of the IAA's Strategic Plan is to grow additional revenue from non-aviation sources;

WHEREAS, on March 19, 2010, the IAA entered into a contract with a land use consulting company known as Landrum & Brown ("L&B") to assist in developing a thirty (30) year land use strategic plan (the "Land Use Plan"), for the highest and best use of the IAA's real estate assets, for both aviation and non-aviation purposes;

WHEREAS, the Land Use Plan encompasses the IAA's real estate assets at Indianapolis International Airport and its five (5) general aviation reliever airports in the metropolitan area (collectively, the "IAA's Airports");

WHEREAS, as part of the planning process, the IAA established a Land Use Advisory Committee ("LUAC"), consisting of certain elected officials and community leaders from the public and private sectors, who represented various governmental jurisdictions or communities adjacent or in close proximity to one or more of the IAA's Airports;

WHEREAS, the LUAC provided thoughts, suggestions, advice, and guidance to the IAA during the land use study process;

WHEREAS, during the summer of 2010, the IAA conducted several workshops in the Indianapolis metropolitan area, where the public was invited to attend and offer any pertinent thoughts, ideas and suggestions;

WHEREAS, during the land use study process, various focus groups convened and met in order to review and comment on L&B's preliminary recommendations;

WHEREAS, as of December 15, 2010, L&B completed its initial draft of the Land Use Study and submitted it to IAA's Board and IAA staff for their review and comment;

WHEREAS, as of February 15, 2011, L&B completed its work on, and finalized, the Land Use Study, and submitted it to the IAA for final approval; and

WHEREAS, in addition to approving the Land Use Plan, the IAA desires to adopt certain land use policies and guidelines in connection with the implementation thereof.

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

1. The Land Use Plan is hereby approved.
2. Wherever and whenever practicable, the IAA will return designated airport real estate, developed for non-aviation purposes, to the tax rolls of the taxing jurisdiction in which the real estate is located.
3. Private sector development expertise, as well as third-party financing, shall be sought and considered in connection with the development of real estate identified in the Land Use Plan.
4. Long-term leasing of designated non-aviation real estate is preferred, consistent with typical market practice, although circumstances may dictate certain real estate to be sold from time to time in the IAA's best interests.
5. The IAA will establish a "minimum return on investment" or minimum hurdle rate for its capital expenditures with respect to aviation and non-aviation real estate, including land which is leased for non-aviation development. In connection therewith, the IAA may consider appropriate incentives for real estate development, including those in cooperation with other interested governmental entities.
6. Funds may be utilized for infrastructure improvements in connection with the development of real estate for non-aviation uses; provided, however, any such expenditures shall be consistent with the Federal Aviation Administration's ("FAA") revenue diversion policy.
7. In its implementation of the Land Use Plan, the IAA will comply at all times with all applicable legal and regulatory requirements.

8. Multi-jurisdictional collaboration and cooperation shall be pursued by the IAA: (i) in connection with the implementation of the Land Use Plan; and (ii) to help foster, encourage, promote and facilitate regional economic progress consistent with the Land Use Plan and any land use plans of governmental jurisdictions or communities adjacent or in close proximity to the IAA's Airports.

9. Development standards for real estate at IAA's Airports shall be established that consider reasonable design, construction and implementation guidelines as well as appropriate sustainability goals.

10. The IAA recognizes that no plan is static, and that changes and modifications are inevitable and expected. Therefore, the Land Use Plan should be viewed as a guideline for the future growth and development of the IAA's Airports, not only for the IAA's benefit but also for the benefit of communities adjacent or in close proximity to the IAA's Airports.

11. The IAA's management team is hereby directed to take appropriate actions in order to implement the Land Use Plan in a manner consistent with the IAA's best interests, for both aviation and non-aviation development, with due consideration being given to market factors and demand(s), appropriate economic considerations, and the IAA's Strategic Plan.

APPROVED and effective as of February 18, 2011, at the regularly convened meeting of the Board of the Indianapolis Airport Authority.

INDIANAPOLIS AIRPORT AUTHORITY *

By: _____

Michael B. Stayton, President

Attest: _____

Alfred R. Bennett, Secretary

* Signed under authority provided in IAA Board Resolution #10-2009.

CERTIFICATE OF AUTHENTICITY

I, Alfred R. Bennett, Secretary of the Board of the Indianapolis Airport Authority, hereby certify that the foregoing document is a true and correct copy of Resolution No. 4-2011, adopted by the Board of the Indianapolis Airport Authority on February 18, 2011.

By: _____

Alfred R. Bennett, Secretary
INDIANAPOLIS AIRPORT AUTHORITY



Board Memo

Delegated Authority for Minor Public Work Projects

To: IAA Board of Directors

From: Joseph R. Heerens,
General Counsel

Date: January 28, 2011

Board Date: February 18, 2011

Background

The Indianapolis Airport Authority ("IAA") occasionally seeks quotes from contractors for the performance of "minor" public work projects (those costing less than \$50,000). Currently, these minor projects must be brought before the IAA's Board for approval at its monthly meetings. However, having to wait for approval of a project until the next Board meeting is not always efficient, timely or practicable.

For example, in late November, 2010, there were several minor public work projects (e.g., a \$45,000 bathroom renovation at IMC, and minor renovations at the Downtown Heliport) that the IAA was not able to award due to insufficient time remaining in the calendar year as a result of the legal requirement that such projects must be approved by IAA's Board. The next Board meeting was not scheduled to occur until December 17, 2010, leaving insufficient time to award and complete the projects during calendar year 2010. Consequently, those projects were not completed in 2010 but were delayed and subsequently moved into calendar year 2011.

There is a provision in Indiana law which specifically applies to airport authorities, and which, if exercised, would have prevented the above-referenced outcome. Indiana Code § 36-1-12-5(h) permits the IAA's Board to delegate its authority to award a contract for a public works project estimated to cost less than \$50,000 to the IAA's Executive Director/CEO. If this limited delegation had been in place, then IAA's Management could have awarded the contracts for these projects in November, 2010, providing sufficient time for the contractors to perform and complete the work prior to the end of calendar year 2010.

Recommendation

The recommendation is that the IAA Board approve the attached Resolution that would delegate authority to IAA's Executive Director/CEO to approve contracts for "minor" public works projects estimated to cost less than \$50,000 each. These minor projects occur from time to time; and this delegation is limited in scope and specifically permitted by state law. Any and all such minor projects awarded by the Executive Director/CEO will be disclosed to the Board on the "Delegated Authority Schedule" given by IAA Management to the Board each month.

The proposed Board Resolution is attached hereto.

RESOLUTION No. 5-2011

INDIANAPOLIS AIRPORT AUTHORITY

DELEGATED AUTHORITY FOR MINOR PUBLIC WORK PROJECTS

WHEREAS, the Indianapolis Airport Authority (the "Authority") is a municipal corporation organized under Indiana Code §8-22-3, with authority to exercise executive and legislative functions; and

WHEREAS, Indiana Code §8-22-3-9 and 8-22-3-11 permit the Authority's board of directors (the "Board") to adopt a system of rules and procedures, and supervise its internal affairs and employ personnel, necessary to carry out the duties, functions, and powers of the Board; and

WHEREAS, IC §36-1-12-5(h) permits the Board to delegate its authority to award a contract for a public works project estimated to cost less than Fifty Thousand and No/100 Dollars (\$50,000) to the Authority's Executive Director/CEO; and

WHEREAS, the Board considers it appropriate and efficient to delegate to the Executive Director/CEO (including his/her designee) authority to award contracts for public work projects, provided that such authority is specifically limited to contracts estimated to cost less than Fifty Thousand and No/100 Dollars (\$50,000) each.

NOW, THEREFORE, the Indianapolis Airport Authority resolves that:

(1) The Board, as permitted by Indiana Code §36-1-12-5(h), authorizes the Authority's Executive Director/CEO (including his/her designee) to award contracts for public work projects, provided that such authority is specifically limited to contracts estimated to cost less than Fifty Thousand and No/100 Dollars (\$50,000) each.

(2) The Board authorizes and directs the Authority's Executive Director/CEO (and his/her designee) to take any and all additional and/or other actions which are necessary or appropriate to effectuate the foregoing resolutions, such as, by way of example and not of limitation, signing or executing contracts and related documents for such public work projects for and on behalf of the Authority.

APPROVED and effective as of February 18, 2011, at the regularly convened meeting of the Board of the Indianapolis Airport Authority.

INDIANAPOLIS AIRPORT AUTHORITY *

By: _____
Michael B. Stayton, President

Attest: _____
Alfred R. Bennett, Secretary

* Signed under authority provided in IAA Board Resolution #10-2009.

CERTIFICATE OF AUTHENTICITY

I, Alfred R. Bennett, Secretary of the Board of the Indianapolis Airport Authority, hereby certify that the foregoing document is a true and correct copy of Resolution No. 5-2011, adopted by the Board of the Indianapolis Airport Authority on February 18, 2011.

By: _____
Alfred R. Bennett, Secretary
INDIANAPOLIS AIRPORT AUTHORITY

IAA Board Meeting
Consent Calendar Agenda
February 18, 2011

Consider for approval:

A) General Business

BP2011-02-1 Consent to Assignment of Lease between Indianapolis Aviation, Inc. and Tom Wood Aviation, LLC.

B) Capital Program

BP2011-02-2 A contract with CDM for Stormwater and Deicing System Assessment and Preliminary Engineering in amount not-to-exceed \$237,500.00. MBE 19.73% (VS Engineering and Shrewsberry & Associates) and WBE 5.26% (Elite Consulting Services)

C) Real Estate

BP2011-02-3 The purchase of property as shown on the attached schedule. (Property Acquisition – Laurie Simmons and Martin McQuillan)



Board Memo Consent to Assignment of Lease

To: IAA Board of Directors
From: Marsha Stone, Chief Financial Officer
Date: January 25, 2011
Board Date: February 18, 2011
Subject: Consent to Assignment of Lease from Indianapolis Aviation, Inc. to Tom Wood Aviation, Inc.

Background

Indianapolis Aviation, Inc. (Indianapolis Aviation) has been operating the Fixed Based Operation (FBO) at Metropolitan Airport since 1989. Indianapolis Aviation is requesting to assign the Land Lease Agreement (Lease) and associated subleases, to Tom Wood Aviation, Inc. (Tom Wood Aviation).

Tom Wood Aviation is a newly formed corporation that will own the FBO and provide a start-up cash investment of approximately \$200K in the operation of the FBO.

Tom Wood Aviation has prepared a business plan outlining the operation of the FBO business and the IAA staff has met with Tom Wood Aviation executive staff to review and discuss. The business plan shows Tom Wood Aviation increasing revenue from \$2.1 million to \$2.6 million over five (5) years, a 20.9% increase. While Tom Wood Aviation is showing revenue increases in all areas of the business, the primary increase is coming from the aircraft maintenance business. Tom Wood Aviation staff has indicated the aircraft maintenance business at Metropolitan Airport is strong and is currently negotiating to secure a license agreement with an aircraft manufacturer to become an official aircraft service center for such manufacturer.

Advertising and marketing of Metropolitan Airport by Indianapolis Aviation has been non-existent for the past several years. Tom Wood Aviation will immediately begin investing in this area to rebuild and strengthen the current FBO. Their advertising and marketing plan is currently being developed and will be provided to IAA staff for review.

The business plan also shows a decrease in operating expenses, as several administrative functions will be handled by Tom Wood Management. Examples include: payroll, marketing/advertising and IT support. Additionally, no interest expense is expected as no debt will be utilized in the start-up of the business. The current staff of the FBO will

remain in place and Tom Wood Aviation is looking to hire additional staff to support the aircraft maintenance business.

During IAA staff review and discussion of the business plan, Tom Wood Aviation expressed their desire to have the runway extended with the thought it would increase the jet traffic at Metropolitan Airport. IAA staff made it very clear that extending the runway is not in any future plans of the IAA. Tom Wood Aviation acknowledged this statement and replied their business plan did not take extending the runway into account.

Lastly, as a condition of this assignment, the IAA will obtain a Financial Guarantee from the parent company of Tom Wood Aviation. The Financial Guarantee will secure all future fixed rental payments through the remainder of the term, which is January 20, 2020.

Scope

To execute the Consent to Assignment of Lease from Indianapolis Aviation to Tom Wood Aviation. This Consent will provide for new ownership of the FBO at Metropolitan Airport and in IAA staffs opinion, will strengthen and promote the FBO to a greater level from its current operation.

Schedule

February 18, 2011: Execution of the Consent to Assignment of Lease from Indianapolis Aviation, Inc. to Tom Wood Aviation, LLC.

Revenue and/or Operating Cost – Capital Cost Implications

Revenue:

There is no additional fixed revenue associated with this Assignment, however, as Tom Wood Aviation implements their business plan; the IAA is expected to receive additional revenue from percentage rents of the gross receipts.

Operating Costs / Capital Costs:

There is no operating cost associated with this Assignment.

Supplier Diversity Participation

Not applicable.

Recommendation

Consider for approval Consent to Assignment of Lease between Indianapolis Aviation, Inc. and Tom Wood Aviation, LLC.



Board Memo - Contract

To: IAA Board of Directors

From: Mike Medvescek, Chief Operating Officer

Date: January 10, 2011

Board Date: February 18, 2011

Subject: Contract with Camp, Dresser and McKee Inc. (CDM) for Stormwater and Deicing System Assessment and Preliminary Engineering

Background

For Indianapolis International Airport (IND), the Indianapolis Airport Authority (IAA) operates and maintains a stormwater/deicing management system to ensure that the area's water resources are not adversely affected by the airport's operations (see attached Exhibit A). During warmer weather, the existing system of conveyances, storage basins (totaling 67M gallons), water quality treatment units and outfalls serve to ensure that the water quality of streams is maintained and excessive runoff volumes do not impact downstream areas. During the colder months, deicing fluids associated with cold weather aircraft deicing and roadway pavement deicing activities are managed with the stormwater runoff to ensure that any contaminated runoff is directed through the sewer system to the City's wastewater treatment plant for proper treatment.

The IAA is completing a Land Use and Development Study to lay out highest and best use of existing IAA properties and to plan for future uses at IND and the general aviation airports. As aviation uses of IND increase, associated with increased passenger and cargo operations, additional or modified stormwater and deicing management facilities will be necessary to continue to ensure protection of the water resource. Also, additional or modified stormwater management or detention may be needed to accommodate future build out on the property. New federal regulations governing release of stormwater with deicing fluids to water bodies also need to be addressed.

Accordingly, the IAA seeks to conduct a technical assessment of viable options for meeting future stormwater and deicing system needs at IND. This assessment will ensure that IND continues to effectively protect the area's water resources. The assessment will also position IND to move forward aggressively to implement the recommendations of the Land Use and Development Study that are affected by additional impervious surfaces and deicing activities.

This project was approved for implementation by the Executive Management Team on October 25, 2010.

The IAA published a Request for Proposal for a Stormwater and Deicing System Assessment and Preliminary Engineering on November 2, 2010. The IAA received four (4) proposals on December 3, 2010. The IAA's review team evaluated the proposals based on the criteria established within the RFP and determined that the team led by CDM best met the criteria. CDM is qualified, proposed a sound approach for meeting the objectives of the assessment, exceeded the Supplier Diversity goals and came within the project budget.

Scope & Budget

Per the proposed contract, the contractor will conduct a Stormwater and Deicing System Assessment and Preliminary Engineering evaluation over a six-month period. The assessment includes:

1. An assessment of the current stormwater and deicing management system at Indianapolis International Airport, including facilities, operation and maintenance, cost information and recent past experience.
2. An assessment of future stormwater and deicing system needs to address changing circumstances and conditions at Indianapolis International Airport.
3. An assessment of options to meet identified stormwater and deicing needs for each of five future scenarios.
4. For each scenario, options for collection and/or disposal of deicing fluids shall be assessed and recommended.
5. The assessment shall include specific capital and operating cost estimates and objective discussions of:
 - technical feasibility,
 - regulatory compliance,
 - sustainability,
 - consistency with Land Use and Development Study,
 - IAA Strategic Plan, and
 - any other factors critical to the success of a particular option.

The budget for this project is \$250,000.00. The contract is for a not-to-exceed amount of \$237,500.00. The funding for this project is within the 2011 approved Capital Improvement Fund appropriation for Revenue Development Projects from Land Use Study.

Schedule

The term of this contract is expected to begin February 18, 2011 and conclude August 17, 2011.

Supplier Diversity Participation

The Director of Supplier Diversity approved the following MBE/WBE participation on January 14, 2011:

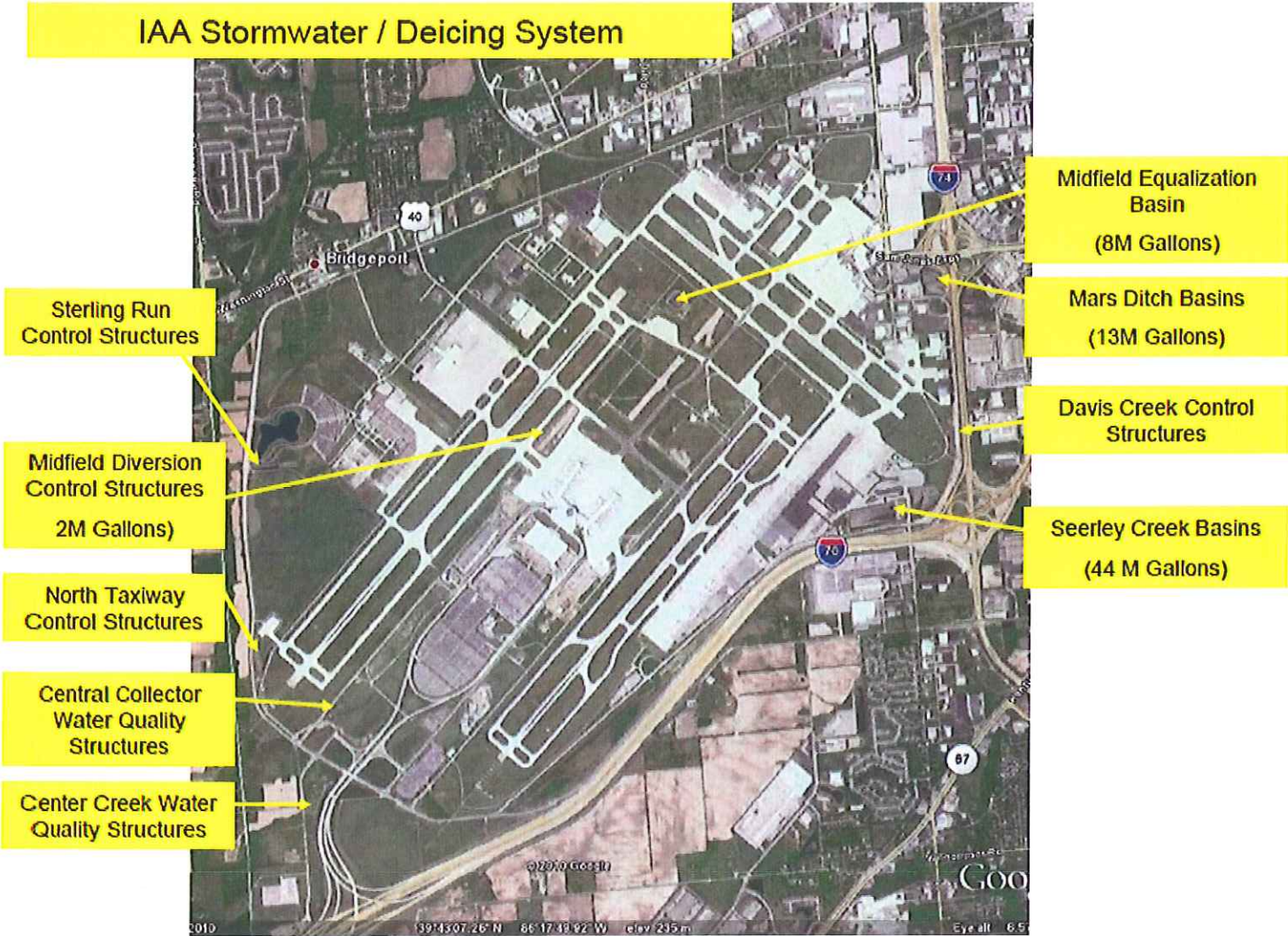
FIRM	CLASSIFICATION	AMOUNT	%
VS Engineering	MBE	\$24,370	10.26
Shrewsberry & Associates	MBE	\$22,498	9.47
ECS (Elite Consulting Services)	WBE	\$12,504	5.26
Totals			
	MBE	\$46,868	19.73
	WBE	\$12,504	5.26

Recommendation

The IAA staff has reviewed the proposal and recommends that the Board consider for approval a contract with CDM for Stormwater and Deicing System Assessment and Preliminary Engineering in amount not-to-exceed \$237,500.00. MBE 19.73% (VS Engineering and Shrewsberry & Associates) and WBE 5.26% (Elite Consulting Services)

Exhibit A

IAA Stormwater / Deicing System





Board Memo Property Acquisition

To: IAA Board of Directors
From: Robert A. Duncan, Special Advisor to CEO
Date: January 24, 2011
Board Date: February 18, 2011
Subject: Property Acquisition – Laurie Simmons and Martin McQuillan

Background

The Indianapolis Airport Authority has had an active land acquisition program since 1973. Between 1973 and 1987, the land program acquired the majority of the land which comprises the current Airport layout and footprint. In 1987, the Authority began its land acquisition program in support of its Part 150 Noise Compatibility Plan (NCP). Phase I of this program ran from 1987-1992, Phase II ran from 1992-1997, and Phase III was initiated in 1998 and also includes holdout property owners that are remaining from Phases I and II. In 1997, an additional program was added to acquire single family residences located within the Authority's Indiana Bat and Wetland Mitigation Area, and in 1999, land acquisition began for the future third parallel runway.

Scope

The residential property being acquired from Laurie Simmons and Martin McQuillan, as shown on the attached schedule, is included in the Authority's land acquisition Phase II Program. The Purchase Agreement under consideration is based on an appraised value of \$130,000.00.

Schedule

February 18, 2011 – Approve Simmons/McQuillan Purchase Agreement. Closing will occur as soon as practicable thereafter.

Funding

This acquisition is currently funded from the 2011 Capital Improvement Fund. The property will be eligible for federal grant reimbursement as an element of the Authority's Noise Compatibility Plan.

Recommendation

The IAA Staff recommends the purchase of property as shown on the attached schedule.

DELEGATED AUTHORITY SCHEDULE

MONTH/YEAR	OTHER PARTY	TYPE OF DOCUMENT	TERM (YEARS)	REVENUE	INITIALS	COMMENTS
Jan-11	AirTran Airways	Addendum	5 years	n/a	J. Clark	Merger between Southwest and AirTran
Jan-11	Advanced Wireless Group, LLC	License Agreement	3 years	\$45,000 per year	J. Clark	Advertising Public Wi-Fi System
Jan-11	Evens Time	Contract Renewal	1 year	n/a	J. Clark	Expenditure not to exceed \$900.00- accounting software
Jan-11	EDGE Document Solutions	Contract Renewal	1 year	n/a	J. Clark	Expenditure not to exceed \$840.00
Jan-11	Central Security and Communications	Contract Renewal	1 year	n/a	J. Clark	
Jan-11	Clear Channel and Tom Wood Automotive	Addendum to Airport Advertising Agreement	n/a	n/a	J. Clark	Requirements for vehicle display advertising
Jan-11	Arelico, Inc. d/b/a National Car Rental	Airport Use Permit	6 months	618.75 per month	J. Clark	\$0.55 cents per square foot for additional parking spaces
Jan-11	Signature Flight Support- Colts	Consent to Sublease	1 year	n/a	J. Clark	Approval of sub lease between Signature and the Colts
Jan-11	New Zoom, Inc. d/b/a Zoom Systems	Contract Amendment	3 years	\$21,000 for each year	J. Clark	Contract Amendment to extend time and adjust MAG.
Jan-11	Estes Lakeshore News, LLC d/b/a Bluwire	Shared Tenant Services Agreement	6 months	\$75.00 per month	J. Clark	IAA to provide IT services to tenant-internet and phone
Jan-11	UPS	Drop Box Agreement Amendment	1 year	\$500	J. Clark	Agreement to allow UPS to place drop box on IAA premises
Jan-11	CTN Service Agency d/b/a Superior Shine	Concession Agreement	2 years	\$7,800.00 per year	J. Clark	Contractor to provide shoe shine services at various points throughout airport
Jan-11	MEL-RAC d/b/a Thrifty Car Rental	Use Permit	1 year	\$435.42 per month	J. Clark	Use permit to allow Thrifty Car Rental to utilize additional spaces
Jan-11	TerraBoost Media, LLC	Contract for Services	2 years	30% of net revenue (not to exceed 30% of gross revenue)	J. Clark	Installation of hand sanitizer units-revenue from sale of advertising. Also, IAA to receive free hand sanitizer chemicals for all units
Jan-11	Arab Territe and Pest Control, Inc.	Renewal of Contract	1 year	n/a	J. Clark	Expenditure of \$17,100.00.
Jan-11	UBM Aviation	Contract for Professional Services	1 year	n/a	J. Clark	IAA to pay contractor \$17,212.50- exploration of cargo business

DELEGATED AUTHORITY SCHEDULE

Jan-11	Synthesis Incorporated	Contract for Consultant Services	2 months	n/a	1. Clark	Expenditure to exceed \$14,950 (billed hourly) plus up to \$750.00 in expenses-way finding study regarding 2012 Superbowl
Jan-11	Signature Flight Support Turner Construction Company	Land and Building Lease Agreement Contract for Consultant Services	4 months	\$1,200.00	1. Clark	
Jan-11	General Service Administration/Customs & Border Protection	Supplemental Lease Agreement No. 3 & 4	5 years	\$633,040.80	1. Clark	
Jan-11	Skytanking USA	Shared Tenant Services Agreement	1 year	\$750.00	1. Clark	
Jan-11	JettPro Line Maintenance	Shared Tenant Services Agreement	1 year	\$520.00	1. Clark	
Jan-11	Quantem Aviation Services	Airport Use Permit	3 years	\$129,600.00	1. Clark	Contractor to use airport for air cargo and ground handling services
Jan-11	Mohamed Hersi d/b/a Juba International Café	Amendment No. 1 to Airport Use Permit	1 year	\$2,200.00	1. Clark	Food service delivery
Jan-11	GE Capital Corporation	Indemnification and Insurance Agreement Amendment No. 1 to Airport Use & Occupancy Permit	5 years	n/a	1. Clark	Indemnity Agreement applicable to GE when it sends personnel to the IMC to claim a lathe, which belonged to Indianapolis Diversified Machinery, Inc., but which was then assigned to GE
Jan-11	GTE Moblinet of Indiana d/b/a Verizon Wireless	Unchanged	Unchanged	n/a	1. Clark	Between \$80,000-\$131,345.73 per year for service (IAA to pay)
Jan-11	M&S Enterprises, Limited Partnership d/b/a TGI Fridays	Second Amendment to Concession Agreement	Added 2 years to initial term	8% of all gross receipts and increasing based on total sales	1. Clark	Board previously approved original agreement and this Amendment just added 2 years
Jan-11	GSA	Supplemental Lease No 3	5 years	n/a	1. Clark	
Jan-11	PennWell Corporation	Indemnification and Hold Harmless Agreement	4 days	n/a	M. Stone	For purpose of conducting FDIC hands on exercises

