



Agenda
Indianapolis Airport Authority
March 23, 2012
8:30 AM

- I. Call to Order
- II. Approval of Minutes of the Pre-Board and Regular Meeting of February 17, 2012
- III. Ordinances, Resolutions and Public Hearings
 - a) Introduction of **General Ordinance No. 1-2012** A Supplemental Ordinance of the Indianapolis Airport Authority concerning the Authority's issuance of additional Revenue Bonds designated "INDIANAPOLIS AIRPORT AUTHORITY REFUNDING REVENUE BONDS, SERIES 2012A" to refund a portion of the Authority's outstanding bonds and other matters related thereto. Initial hearing to be held April 20, 2012.
- IV. Board Reports
 - a) President's Report
- V. Official Actions
 - a) Introduction of the IAA Consent Calendar dated March 23, 2012.
 - b) Consider for approval each of the individual items listed on the IAA Consent Calendar Agenda dated March 23, 2012.
- 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. Board Communications
 - a) *Next Meeting: Friday, April 20 2012 @ 8:30 a.m.*
- IX. Adjourn

MONTH/YEAR	OTHER PARTY	TYPE OF DOCUMENT	TERM (YEARS)	REVENUE	INITIALS	COMMENTS
Jan-12	Smarte Carte, Inc.	Agreement to Concession	2 years	No change	J. Clark	Extends contract for 2 years
Jan-12	Avis Rent A Car System LLC	Airport Use Permit	1 year	No change	J. Clark	Extends contract for 1 year
Jan-12	Heartland Payment Systems	Amendment No. 1	2 years	n/a	J. Clark	For IAA credit card processing system
Jan-12	Arab Termite and Pest Control	Amendment No. 1	2 years	n/a	J. Clark	Extends contract for 1 year
Jan-12	Software Information Systems LLC	Contract for Hardware Maintenance	3 years	n/a	J. Clark	For software maintenance on the Airport's IT system
Jan-12	Dassera Indy	Shared Tenant Services Agreement	1 year	\$700 annually	J. Clark	For IT services by IAA to this tenant
Jan-12	Just Pop In, Inc.	Short Term Use Agreement Amendment No. 1	1 year	No change	J. Clark	Extends contract for 1 year
Jan-12	Acorn Distributors	Contract Renewal #3	4 years	No change	J. Clark	Contract for floor care and supplies
Jan-12	Key Auctioneers, LLC	Contract for Auction Services	2 months	Gross proceeds generated from auction	M. Stone	IAA must pay a 5% commission to the auctioneer
Jan-12	Numara Software Systems	Subscription Services Agreement	1 year	n/a	M. Stone	This is a cloud computing contract
Jan-12	APCO Institute, Inc.	Agreement for Services	Month-to-Month	n/a	J. Clark	For purchase of emergency dispatch program
Jan-12	Sport Graphics	Agreement	1 month	n/a	J. Clark	Contract to install Super Bowl signage
Jan-12	Morgan County Sheriff's Department	Indemnification & Hold Harmless Agreement	5 days	n/a	J. Clark	For use of Morgan County Command Bus for Super Bowl

Jan-12	Aramark Services, LLC	Contract Extension	1 year	n/a	J. Clark	For IAA beverage service
Jan-12	Andy Frain Services, Inc.	Airport Use Permit	2 years	\$8,530.00	J. Clark	For aircraft cleaning audits & inspections
Jan-12	Indiana Bevel, Inc.	Cash Farm Lease Amendment	3 years	\$3,600.00	J. Clark	Farming lease
Jan-12	Kappel Farms	Lease Amendment	3 years	\$61,500.00	J. Clark	This amendment reduces mowing expenses for IAA
Jan-12	Brian Rutledge	Cash Farm Lease Amendment	3 years	\$25,098.75	J. Clark	Farming lease
Jan-12	Alcalde & Fay	First Amendment to Professional Service Agreement	1 year	n/a	J. Clark	For assistance with Federal funding and other matters; fee of \$78,000 annually
Jan-12	Gartner, Inc.	Professional Services Agreement	2 years	n/a	A. Stanley	For consulting services to benefit IAA technology; fee of \$127,700 total
Jan-12	Catalytic Logistics	Contract for Consultant Services	4 months	n/a	J. Clark	For comprehensive cargo study for IAA's benefit; fee of \$100,000
Jan-12	Miracle Ride Foundation II	Airport Use Agreement	3 days	n/a	J. Clark	For Air Show at Mt. Comfort Airport
Jan-12	Hat World, Inc.	Short Term Use Agreement	1 month	20% of gross receipts to IAA	J. Clark	For retail space during Super Bowl
Jan-12	MY Tupelo Entertainment LLC	Letter Agreement	1 day	n/a	J. Clark	Permits filming of auction
Jan-12	Sprint	Airport Use Agreement	1 month	n/a	J. Clark	Permits Sprint to install temporary antenna during the Super Bowl

Jan-12	FedEx Corporate Services, Inc.	Letter Agreement	1 month	n/a	J. Clark	Permits Truck Display for Super Bowl
Jan-12	TSA	Memorandum of Understanding	2 weeks	n/a	M. Stone	Permits TSA to use IAA radios during Super Bowl
Jan-12	Indy Racing Experience	Letter Agreement	1 month	n/a	J. Clark	Permits display of two super cars for Super Bowl
Jan-12	Federal Express Corporation	First Amendment to Triturator Agreement	3 years	\$27,000.00	J. Clark	Permits FedEx to use triturator system at its Hub
Jan-12	RDG Concessions	Short Term Use Agreement	1 month	20% of gross receipts to IAA	J. Clark	For retail space during Super Bowl
Jan-12	Grissom Air Reserve Base	Memorandum of Understanding	3 years	n/a	J. Clark	For IAA to conduct training
Jan-12	Kerry Dunsmore	Mutual Release of All Claims	Perpetual	n/a	J. Clark	For settlement of dispute pertaining to arrest
Jan-12	Emergency Radio Service, Inc.	Professional Services Agreement	1 year	n/a	J. Clark	For emergency radio service at Airport; \$5,700 fee annually

MINUTES
Board of Directors Meeting
Indianapolis Airport Authority

The Regular Meeting of the Indianapolis Airport Authority Board was called to order at 8:35a.m., February 17, 2012, in the Airport's Board Room at the Indianapolis International Airport.

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

Mike Wells, President
Kelly Flynn, Vice-President
Al Bennett, Secretary
Jean Wojtowicz, Member
Alex M. Azar II, Member
Lynn Gordon, Member
Jack Morton, Member

Rex Joseph, IAA Counsel

IAA executive staff attending:

John D. Clark, III, Executive Director/CEO
Marsha Stone, Chief Financial Officer
Joseph Heerens, Chief Legal Officer
Mike Medvescek, Chief Operating Officer
Al Stanley, Chief Information Officer
Patzetta Trice, Chief Communications and Marketing Officer
Jamie Leap, Executive Assistant/Recording Secretary

APPROVAL OF MINUTES

Upon a motion by Mr. Morton, seconded by Mr. Flynn and unanimously passed, approval was given to the Minutes of both the Pre-Board and Regular Meetings of January 20, 2012.

BOARD REPORTS

President's Report

President Wells had no reports, but he publicly recognized the IAA's management team and staff for developing and executing a highly successful plan for the 2012 Super Bowl which reflected well upon the Indianapolis International Airport.

Finance & Audit Committee Report

Finance & Audit Committee ("FAC") Chair Jean Wojtowicz indicated that the FAC's Charter calls for an annual report to the IAA's Board at the conclusion of each fiscal year with respect to the FAC's activities and accomplishments for that period. She provided the following report.

During 2011, the FAC reviewed, discussed, adopted and/or modified the following policies: (1) revised Business Expense and Travel Reimbursement Policy; (2) Hurdle Rate Policy; (3) Commodity Hedging Policy; (4) Investment Policy; and (5) Accounting Policy Manual. Ms. Wojtowicz also provided a brief overview of the areas where the FAC provided financial and other oversight to the organization.

For 2012, the FAC's focus will include at least the following: (1) financial plans and debt management for IAA, including the possibility of refunding of bonds or engaging in other refinancing activities for the benefit of the organization; (2) oversight of certain IAA policies, including those recently adopted by the FAC; (3) implementation of Hurdle Rate reporting; (4) oversight of the IAA's adherence to the goals established in its Airline Use Agreements in place with various airlines; (5) review of the 2011 audited financial statements; and (6) review and recommendation of appropriate changes to other IAA policies.

Human Resources Committee Report

Human Resources Committee ("HRC") Chair Alex Azar reported that the HRC has a similar obligation in its Charter to provide an annual report to the IAA's Board at the conclusion of each fiscal year with respect to the HRC's activities and accomplishments for that period. He provided the following report.

Mr. Azar reported that calendar year 2011 was "The Year of the Employee" at the IAA, and that many of the IAA's activities were focused on that key objective, including the implementation of the following: (1) Core Values Employee Recognition Program; (2) Employee Engagement Council; (3) Wellness Committee; (4) enhanced United Way Program; and (5) Employer-of-Choice Committee. Mr. Azar also provided a brief overview of developments and accomplishments pertaining to: (1) the IAA's new performance management system; (2) the compensation standards; and (3) recruiting and training of IAA personnel.

For 2012, the HRC will focus on next steps for the performance management process, the Employer-of-Choice initiative, training and development of IAA personnel, and otherwise furthering the HRC's programs and initiatives.

Reliever Committee Report

Reliever Committee ("RC") Chair Al Bennett provided the following report with respect to the RC's activities during fiscal year 2011.

Mr. Bennett reported that, during 2011, the RC reviewed, discussed, adopted and/or modified the following in connection with the reliever airports: (1) important safety and security programs; (2) pertinent system changes; (3) key capital improvement projects; and (4) appropriate property management. Mr. Bennett also noted that the reliever airports successfully achieved yet another 100% non-discrepancy inspection report from the U.S. Department of Transportation during 2011.

For 2012, key initiatives of the RC will include the rehabilitation of the southeast apron and runway 221 at the Eagle Creek Airport, the addition of a perimeter fence at Gordon Graham Airport in Hendricks County, the extension of runway 725 and taxiway "A" at Indianapolis Regional Airport in Hancock County, and additional fencing to be installed at Metropolitan Airport in Hamilton County.

OFFICIAL ACTIONS

APPROVAL OF THE INDIANAPOLIS AIRPORT AUTHORITY'S CONSENT CALENDAR DATED FEBRUARY 17, 2012:

Upon a motion by Mr. Flynn, seconded by Mr. Morton and unanimously passed, approval was given to the IAA's Consent Calendar, dated February 17, 2012.

APPROVAL OF INDIVIDUAL ITEMS LISTED ON THE INDIANAPOLIS AIRPORT AUTHORITY'S CONSENT CALENDAR, DATED February 17, 2012:

Upon a motion by Mr. Bennett, seconded by Mr. Flynn and unanimously passed, approval was given to accept each of the individual items listed on the IAA's Consent Calendar, dated February 17, 2012.

STAFF REPORTS

CEO Report

Mr. John Clark, IAA's Executive Director/CEO, recognized and expressed his appreciation to the entire organization for outstanding performance and representation of the IAA during the 2012 Super Bowl period. Mr. Clark also provided a brief report on the new FAA bill and the expected benefits for the IAA, and he also acknowledged the successful efforts of CFO Marsha Stone in connection therewith.

Financial Report

Ms. Marsha Stone, IAA's Chief Financial Officer, provided a brief financial report with respect to operating revenue and expenses, airfare and ancillary revenues, passenger landed weights, and enplanements.

Information Technology Report

Mr. Al Stanley, IAA's Chief Information Officer, provided a brief report on key initiatives for the IAA's Information Technology Department for 2012, including mobility, business intelligence, cloud computing, and virtualization; all of which should improve the IAA's business and overall customer experience.

Communications & Marketing Report

Ms. Patzetta Trice, IAA's Chief Marketing & Communications Officer, reported that the Indianapolis International Airport was recognized (in the Airport Service Quality (ASQ) results) as the 2nd best airport in North America during 2011. She also reported that, for 2011, the IAA had an "ad value" of \$2,606,189.46 for earned media coverage; and, for the first 6 weeks of 2012, the "ad value" was \$2,343,576.66, mostly attributable to the 2012 Super Bowl occurring in Indianapolis.

Ms. Trice publicly recognized several IAA personnel for providing "Super Service" to our customers, including Paul Collier, Josh Brown, Lt. Johnny Russell, and James Michalisko.

Super Bowl Debrief

Ms. Stone, Ms. Trice, and Mr. Medvescek reported that, during the 2012 Super Bowl, the following occurred at the Indianapolis International Airport: (1) \$1,000,000 in Super Bowl merchandise was sold; (2) \$500,000 in gross advertising revenue was generated; and (3) taxi and limo activity were up 124% and 278%, respectively, as compared to a typical week.

ADJOURNMENT

There being no further business, the meeting was adjourned at 10:09 a.m.

INDIANAPOLIS AIRPORT AUTHORITY*

Michael W. Wells, President

Alfred R. Bennett, Secretary

Date: _____

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



BOARD MEMORANDUM

To: IAA Board of Directors

From: Marsha Stone, Chief Financial Officer

Date: March 9, 2012

Board Date: March 23, 2012

Subject: Introduction of General Ordinance No. 1-2012

The Authority staff is asking the Board to introduce General Ordinance No. 1-2012 (the "Ordinance"), a supplemental ordinance authorizing the Airport Authority to issue Airport Revenue Bonds, Series 2012A, in an amount not to exceed \$100 million. The Ordinance is a supplement to the Authority's master ordinance, initially adopted in 2002. The 2012 bonds are a part of the Authority's plan of finance to refund certain outstanding Authority bonds. The Authority has seven (7) outstanding series of bonds under the master ordinance. The Ordinance will permit the Authority to issue refunding bonds to refund a portion of the Authority's 2003A bonds, 2006A bonds, and 2010C bonds, as well as restructure or terminate a portion of the swaps associated with any refunded 2010C bonds.

The schedule for the 2012 bond issue includes:

Adoption of General Ordinance 1-2012	April 20, 2012
Indianapolis Bond Bank Approval	April 2012
Bond pricing	Early May 2012
Closing	Late May/Early June 2012

At the final hearing for adoption of the Ordinance at the April 2012 Board meeting, the Authority staff will present a summary of the anticipated financing.

The Authority staff presented a preliminary plan of finance to the Authority's Finance and Audit Committee ("FAC"), which recommended the introduction of this Ordinance. The Authority staff will present a final plan of finance to FAC prior to the final hearing for the Ordinance.

IAA Board Meeting
Consent Calendar Agenda
March 23, 2012

Consider for approval:

A) Capital

BP2012-03-1

A professional services contract with Reynolds, Smith & Hill, Inc. (RS&H) for Indianapolis International Airport Master Plan Phase I in an amount not-to-exceed \$233,071 (hourly fee) and \$13,150 (expenses) for a total not-to-exceed amount of \$246,221. DBE 17.44% (Shrewsberry & Associates, LLC), MBE 16.15% (Shrewsberry & Associates, LLC) and WBE 1.29% (Engaging Solution, LLC).



Board Memo - Contract

To: IAA Board of Directors

From: Mike Medvescek, Chief Operating Officer

Date: February 19, 2012

Board Date: March 23, 2012

Subject: Professional Services Contract with Reynolds, Smith & Hill, Inc. (RSS&H) for Indianapolis International Airport Master Plan Phase I, Project # I-12-002

Background

There are two Federal Aviation Administration (FAA) planning documents that guide the development of Indianapolis International Airport (IND), the Master Plan (MP) and Airport Layout Plan (ALP). The master plan is a comprehensive study of an airport that describes the short-, medium-, and long-term development plans to meet future aviation demand. The ALP is a graphic depiction of the existing facilities and planned short-, medium- and long-term development. Development must be shown on an FAA approved ALP to be eligible for federal funding. An ALP is required by the FAA to be updated as development occurs. The most recent Master Plan (MP) for Indianapolis International Airport (IND) was completed in 1990. That MP provided the development guidance for the current runway system and midfield terminal, which have been completed. The IND ALP was most recently updated in 1999, and revised in 2006 to add the midfield development.

A new MP and updated ALP are needed to provide a development plan for IND over the next 20 years. In addition, the MP will consider the need and timing of future major airport development like a new runway that may occur beyond the 20-year planning horizon. The MP will consolidate recent planning for IND including but not limited to the land use study and stormwater planning into one comprehensive plan. The development plan identified through the MP process will also be shown on an updated ALP and provided electronically as required by the FAA.

The Airport Property Land Use and Development Study (land use study) complements the MP and does not replace the MP as the land use study focused on the landside and nonaviation use of IAA property at all facilities, whereas the MP will focus on the aviation functions at IND. The Land Use Study considered aviation function only to the extent of preserving space for aviation use to define the areas available for other types of development, leaving the detailed aviation use analysis for the MP. The land use study was prepared in advance of the MP to allow the IAA to begin to take advantage of development opportunities while the MP is being prepared and reviewed by the FAA.

Re: Reynolds, Smith & Hill, Inc. – Professional Services

A MP and ALP are eligible for FAA grant funding. Therefore, to better align with anticipated grant funding, preparation of the MP is planned to be funded in phases. Three phases are included in the Capital Budget in budget year dollars:

2011 – Phase I -	\$ 500,000
2012 – Phase II -	\$1,000,000
2013 – Phase III -	<u>\$1,030,000</u>
	<u>\$2,530,000</u>

Explanation of Contract Phasing

This contract will initiate Phase I of the MP by gathering inventory data, preparing aviation forecasts and conducting a high level facility requirements analysis to better define the items to be studied in more detail in Phase II and Phase III, if required. In addition, to support implementation of the land use plan recommendations, an analysis will be conducted in Phase I to confirm the land to be reserved for a western crossfield taxiway connecting the parallel runways west of the terminal and a future light rail route.

Phase I of the master plan was unable to be initiated in 2011 due to FAA funding delays resulting from the series of congressional continuing resolutions; however, the 2011 funding was carried forward to the cash flow for 2012.

Reynolds, Smith and Hill, Inc. was selected through a Request for Proposal (RFP) process.

This project was approved for implementation by the Executive Management Team on April 25, 2011.

Scope

The scope of this project is Phase I of the IND MP plan including: study design/project scoping, Phase I stakeholder and community outreach, inventory of existing facilities, forecasts of aviation demand, and high level assessment of facility requirements.

Budget

This contract is within the overall Phase I budget of \$500,000.

<u>Phase I Project Budget</u>	
Orthographic Imagery for Master Plan	\$ 64,631
RS&H Phase I Master Plan Contract	\$246,221
Unallocated Budget	<u>\$189,148</u>
Total	<u>\$500,000</u>

Re: Reynolds, Smith & Hill, Inc. – Professional Services

This project is included in the Capital Budget for \$500,000 in 2011, \$1,000,000 in 2012 and \$1,030,000 in 2013 (budget year dollars) with 25% from Airport cash and 75% from grant funds. A 2011 FAA grant has been received for the Phase I MP.

This project is being undertaken to meet regulatory requirements and is eligible for FAA grant funding or grant funding reimbursement. As a result of the regulatory requirement, this project is exempt under the IAA's hurdle rate policy and has not been subjected to an internal rate of return calculation.

Schedule

The term of this contract for Phase I MP is expected to begin March 23, 2012 upon Board approval and conclude December 31, 2012 to allow time for FAA review and approval of the aviation forecasts.

Supplier Diversity Participation

The Director of Supplier Diversity has approved the following:

FIRM	AMOUNT			%		
	DBE	MBE	WBE	DBE	MBE	WBE
Shrewsberry & Associates, LLC	\$37,638	\$37,638		16.15%	16.15%	
Engaging Solutions LLC	\$3,000		\$3,000	1.29%		1.29%
Totals	\$40,638	\$37,638	\$3,000	17.44%	16.15%	1.29%

Recommendation

The IAA staff has reviewed the proposal and recommends that the Board consider for approval a professional services contract with Reynolds, Smith & Hill, Inc. (RS&H) for Indianapolis International Airport Master Plan Phase I in an amount not-to-exceed \$233,071 (hourly fee) and \$13,150 (expenses) for a total not-to-exceed amount of \$246,221. DBE 17.44% (Shrewsberry & Associates, LLC), MBE 16.15% (Shrewsberry & Associates, LLC) and WBE 1.29% (Engaging Solution, LLC).