



Agenda
Indianapolis Airport Authority
March 19, 2010
8:30 a.m.

- I. Call to Order
- II. Approval of Minutes of the Regular Meeting of February 19, 2010
- III. Ordinances, Resolutions and Public Hearings
 - a) Public hearing on transfer of approximately 515.44 acres to the State of Indiana, Department of Transportation. *(BP2010-03-9)*
 - b) Consider for approval adoption of Resolution 4-2010 concerning Land Release by the Federal Aviation Administration for approximately 17.3 acres.
- IV. Board Reports
 - a) President's Report
 - b) HRC Report – Resolution 6-2010 concerning IAA's HRC Governance
- V. Official Actions
 - a) Introduction of the IAA Consent Calendar dated March 19, 2010.
 - b) Consider for approval each of the individual items listed on the IAA Consent Calendar Agenda dated March 19, 2010.
- VI. Staff Reports
 - a) CEO Report – John D. Clark, III
 - b) Financial Report – Marsha Stone
- VII. Other
- VIII. Adjourn

The Regular Meeting of the Indianapolis Airport Authority Board was called to order at 9:25 a.m. February 19, 2010 in the Airport Board Room at Indianapolis International Airport.

Present and comprising a quorum were:

Michael Stayton, President
Lacy Johnson, Vice President
Alfred R. Bennett, Secretary
Alex Azar, Member
Andrew Miller, Member
Jean Wojtowicz, Member

Advisory Members attending:

Jack Morton
Lynn Gordon

IAA staff attending:

John D. Clark III, Executive Director/CEO
Marsha Stone, Chief Financial Officer
Robert Duncan, Chief Operating Officer
Patzetta Trice, Chief Communications Officer
Beverly Terlaje, Recording Secretary

Rex Joseph, IAA Counsel

APPROVAL OF MINUTES

Upon a motion by Ms. Wojtowicz, seconded by Mr. Azar and unanimously passed, approval was given to the Minutes of the Regular Meeting of January 15, 2010.

ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS

Consideration for approval, the adoption of Resolution 2-2010 concerning FAA Land Release by the Federal Aviation Administration for approximately 515.44 acres.

Upon motion by Mr. Azar, seconded by Mr. Miller and unanimously passed, approval was given to adopt Resolution 2-2010

Consideration for approval the adoption of Resolution 3-2010 concerning the execution of the Fourth Amendment to IMC Lease Agreement (BP2010-2-1).

Marsha Stone, Chief Financial Officer provided a brief summary of the resolution and stated that there is ongoing discussion and dialogue with AAR Aircraft Services, Inc. which addresses the amendment that will give AAR access to space at IMC that is currently not being leased nor generating revenue within the facility. Ms. Stone also stated that taking on that space and generating a base level of revenue and a profit sharing percentage will be a positive step forward for both AAR and IND.

Upon motion by Mr. Bennett, seconded by Ms. Wojtowicz and unanimously passed, approval was given to adopt Resolution 3-2010. Due to a conflict of interest, Mr. Johnson recused himself with respect to this transaction.

BOARD REPORTS

President's Report

President Stayton stated that later on the agenda there will be discussions of a very important study that the Airport Authority is going to have to undertake. He also stated at the end of last year the board indicated that the Authority has culminated an important year of the new terminal in wrapping that up, which was the final chapter of the prior planning process since the strategic plan and that we needed to embark on a new plan to move forward. President Stayton further stated that we are embarking upon a new process that will allow us to develop some of our assets that will help subsidize the new terminal, thereby engaging in a number of partners and IAA staff in the planning process and also engage all the stakeholders involved in moving the Authority forward. President Stayton stated this is a very important step for the Authority.

OFFICIAL ACTIONS

APPROVAL OF THE INDIANAPOLIS AIRPORT AUTHORITY CONSENT CALENDAR DATED FEBRUARY 19, 2010: Upon a motion by Mr. Johnson, seconded by Mr. Azar and passed by a majority vote, approval was given to the Consent Calendar dated February 19, 2010.

APPROVAL OF INDIVIDUAL ITEMS LISTED ON THE INDIANAPOLIS AIRPORT AUTHORITY CONSENT CALENDAR DATED FEBRUARY 19, 2010: Upon a motion by Mr. Bennett seconded by Mr. Johnson and passed by a majority vote, approval was given to accept the individual items listed on the Consent Calendar dated February 19, 2010.

STAFF REPORTS

CEO REPORT

Mr. Clark asked Ms. Patzetta Trice, Chief Communications Officer, to share an announcement concerning the Indianapolis Airport. Ms. Trice announced that the Indianapolis airport ranked at the top of the list of 64 major airports in the country by JD Power & Associates in a survey of passenger and visitor satisfaction during the past year.

CFO REPORT

Financial Report

Ms. Stone provided a brief update on the year-end Financial Report for December 2009 and year to date activity and also provided comments on the Bond Issue.

Land Use & Development Strategy Presentation

Ms. Stone provided a brief presentation on Airport Property Land Use & Development Strategy and asked the Board to consider for approval the selection of Landrum & Brown as the prime consultant for the Airport Property Land Use & Development Strategy for Indianapolis International and General Aviation Reliever Airports. Mr. Johnson asked if Landrum & Brown understands what our goals are for our local women and minority participation. Ms. Stone replied yes and that they have had heavy dialogue on the importance of women owned and minority participation and that the goals are clearly set. Mr. Johnson also asked have they agreed to meet or exceed those goals. Ms. Stone replied yes. Mr. Bennett asked would staff provide updates to the Board should other issues arise as well as updates on future plans. Ms. Stone advised the Board that staff would provide updates with respect to the final list of sub-consultants, minority local women participants within in the team, and also seek input from the Board in terms of the local steering group and participation in the project.

Upon a motion by Mr. Johnson seconded by Mr. Bennett and passed by a majority vote, approval was given on the selection of Landrum & Brown as the prime consultant for the Airport Property Land Use & Development Strategy for Indianapolis International and General Aviation Reliever Airports.

OTHER BUSINESS

President Stayton recognized and thanked Jeffrey Siefert, Kent Ray and Jason Zoch of Wells Fargo Advisors for hosting today's refreshments.

ADJOURN

There being no further business, the meeting was adjourned at 10:05 a.m.

INDIANAPOLIS AIRPORT AUTHORITY*

Michael B. Stayton, President

Alfred R. Bennett, Secretary

Date:_____

*Signed under authority of IAA Board Resolution 10-2009



Board Memo – Resolution

To: IAA Board of Directors

From: Robert A. Duncan, Special Advisor to the CEO

Date: February 26, 2010

Board Date: March 19, 2010

Subject: FAA Deed of Release for I-465 Project – Resolution No. 4-2010

Scope

As part of the reconstruction of Interstate I-465 contiguous to Indianapolis Airport Authority property on the east side of Indianapolis International Airport the Airport Authority and Indiana Department of Transportation (INDOT) have worked cooperatively to identify those parcels owned by the Authority that are necessary to rebuild I-465 to accommodate all users of the highway, including passengers and other users of the Indianapolis International Airport. The Authority and INDOT agreed to a sale of land to INDOT to ensure that INDOT retained land necessary to maintain the interstate highway as the sale of the land did not adversely affect the use and operation of the Airport.

The sale of property involves approximately 17.3 acres to be transferred to INDOT for highway development and highway easements. Since the Authority property to be transferred to INDOT was purchased using federal grant dollars, the Authority sought the required release of the Authority's grant assurance from the Federal Aviation Administration (FAA). On August 3, 2009 the FAA provided the necessary Deed of Release after its determination that the identified land was no longer required for current or future airport purposes.

In order to effectuate the Deed of Release, the Board is required to adopt a resolution accepting the terms of the Deed of Release that include, among other things, the agreement of the Authority to include within the deed transferring the property to INDOT language that will ensure, among other things, that the use of the land will not interfere with airport operations or create a condition that pose hazards to aircraft or to air navigation. Resolution 4-2010 also authorizes the President or Vice-President to sign the Deed of Release from the FAA.

Recommendation

Consider for approval the terms of the Deed of Release from the Federal Aviation Administration for the sale of land to the Indiana Department of Transportation and the authorization to sign the Deed of Release to the President or Vice-President as outlined in Appendix A, Resolution 4-2010.

RESOLUTION 4-2010

WHEREAS, the Indianapolis Airport Authority (Authority) has agreed to sell certain real estate to the Indiana Department of Transportation (INDOT) reconstruction of Interstate 465; and

WHEREAS, Authority will transfer 17.3 acres, more or less, to INDOT; and

WHEREAS, the sale of Authority's real estate necessitated that the Federal Aviation Administration (FAA) issue a release of the 17.3 acres, more or less, of Airport property from applicable FAA Grant Assurances as the property was acquired in part by federal grant funds; and

WHEREAS, on March 3, 2010, FAA issued its Letter of Intent to release Airport property with respect to the 17.3 acres, more or less; and

WHEREAS, the FAA has issued its Deed of Release subject to acceptance thereof by Authority; and

WHEREAS, the Deed of Release requires the Authority to retain an air easement over the property, to continue to enforce 14 CFR Part 77 height restrictions applicable to the aforesaid approximately 17.3 acres, not to allow the use of the property for any purpose that would constitute a hazard to air navigation or communication facilities at the Airport, and not to permit the use of the property in a manner that attracts birds or other wildlife; and

WHEREAS, the Deed of Release requires that a revised Airport Layout Plan and Property Map be prepared and forwarded to FAA.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Indianapolis Airport Authority that the Deed of Release and the terms and conditions therein contained are accepted by the Authority as evidenced by the signature thereon of the authorized officers of the Authority.

This Resolution 4-2010 shall be effective on the date of its adoption. Adopted this 19th day of March, 2010.

INDIANAPOLIS AIRPORT AUTHORITY*

Michael B. Stayton, President

Alfred R. Bennett, Secretary

*Signed under authority provided in 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 4-2010 adopted by the Indianapolis Airport Authority Board on the 19th day of March, 2010.

Alfred R. Bennett, Secretary
INDIANAPOLIS AIRPORT AUTHORITY



Board Memo – HR Governance

To: IAA Board of Directors
From: Alex M. Azar II, Chairman, HRC
Date: March 5, 2010
Board Date: March 19, 2010
Subject: Human Resources Committee Governance

Background

IAA's Human Resource Committee (HRC) is critical in accomplishing our strategic goals. IAA's success in maximizing assets, diversifying revenue sources, achieving operational excellence, and obtaining the highest level of customer satisfaction begins with our workforce and the culture we create and foster. Creating and sustaining a workforce and an environment that will allow IAA to thrive will require establishing policies and standards of performance that will best enable our workforce to maximize the collective talents and contributions. With this in mind, I am submitting for your review and consideration the "IAA Board-Human Resources Committee Governance Outline."

Recommendation

The HRC recommends that 1). The Board takes action to enact the "IAA Board-Human Resources Committee Governance Outline" through Resolution 6-2010; 2). The Board further delegate authority to the HRC to act upon the responsibilities outlined under the Governances; and 3). Report to the Board bi-annually on status and actions taken.

RESOLUTION No. 6-2010
RESOLUTION FOR THE ESTABLISHMENT
OF AN IAA BOARD HUMAN RESOURCES COMMITTEE

WHEREAS, the Indianapolis Airport Authority ("Authority") is established as a municipal corporation under Indiana Code chapter 8-22-3, *et seq.*; and

WHEREAS, under Indiana Code section 8-22-3-11, the Board of the Authority ("Board") may do all acts necessary or reasonably incident to carry out the purposes of Indiana Code chapter 8-22-3 *et seq.*, including to employ personnel and to determine matters of policy regarding internal organization; and

WHEREAS, the Board has determined that it is in the best interests of the Authority to establish a committee to establish policy concerning the internal human resources operations of the Authority.

NOW, THEREFORE, BE IT RESOLVED, by the Indianapolis Airport Authority that:

- (1) The Authority does hereby establish a Human Resources Committee ("HRC") consisting of no fewer than four (4) Board members to be appointed by the Board President;
- (2) The HRC shall have the following authority and responsibilities:
 - a. The HRC shall have the authority to retain, at the expense of the Authority, a compensation consultant to assist the Authority, the Board, or the HRC in the evaluation of the compensation of the Executive Director/CEO. The HRC shall also have the authority to approve such consultant's fees and other retention terms.
 - b. The HRC shall have the authority, to the full extent it deems necessary or appropriate to carry out its responsibilities, to retain at the expense of the Authority special legal, accounting, actuarial, or other advisors. The HRC shall also have the authority to approve such advisor's fees and other retention terms.
 - c. The HRC annually shall review and approve corporate goals and objectives relevant to Executive Director/CEO compensation, evaluate the Executive Director/CEO's performance in light of those goals and objectives and determine and approve the Executive Director/CEO's compensation level based on this evaluation. In determining the incentive component of the Executive Director/CEO's compensation, the HRC may consider the Authority's performance, the value of similar incentive awards to

Executive Directors/CEOs at comparable airports or other businesses and other factors that the HRC deems appropriate in connection with its review.

- d. The HRC annually shall review with the Executive Director/CEO his/her assessment of the performance of key members of the Authority's senior management and his/her compensation decisions with respect to each.
- e. The HRC shall review, and approve all policy aspects of the Authority's compensation and benefit plans, or material changes thereto, for Authority employees, including incentive-based compensation plans and equity-based compensation plans.
- f. The HRC, in consultation with the Executive Director/CEO, shall review succession planning relating to the Executive Director/CEO position and other key members of the Authority's senior management.
- g. The HRC, in consultation with the Executive Director/CEO, shall review all proposed collective bargaining agreements prior to their approval and implementation. The HRC shall interpret, implement, administer, and approve all aspects of proposed collective bargaining agreements and recommend any changes to the Board for approval or denial.
- h. The HRC may form and delegate authority to subcommittees as the HRC may deem appropriate.
- i. The HRC may, at the delegation of the Board, interview candidates and consult on behalf of the Board with the Executive Director/CEO on the hiring or release of key members of senior management.
- j. The HRC may, at the delegation of the Board, conduct candidate searches for and make recommendations to the Board for the position of Executive Director/CEO.
- k. The HRC shall report regularly to the Board, but not less frequently than annually.
- l. The HRC shall review and reassess the adequacy of this Resolution annually and recommend any proposed changes to the Board for approval. The Resolution is in all respects subject to and subordinate to the Authority's enabling statutes, Indiana Code 8-22-3 et. seq. and any other applicable laws, as such statute may be amended from time to time.
- m. The HRC annually shall review its own performance and report the results of such review to the Board.

APPROVED and effective this 19th day of March, 2010, at the regularly convened meeting of the Indianapolis Airport Authority.

INDIANAPOLIS AIRPORT AUTHORITY

Michael B. Stayton, President

Alfred R. Bennett, Secretary

*Signed under authority provided in 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 6-2010 adopted by the Indianapolis Airport Authority Board on the 19th day of March 2010.

Alfred R. Bennett, Secretary
INDIANAPOLIS AIRPORT AUTHORITY



IAA Board - Human Resources Committee Governance Outline

Purpose

The Human Resources Committee (HRC) is appointed by the Board of Directors of the Indianapolis Airport Authority (IAA) to discharge the Board's responsibilities related to human resources, specifically:

- To oversee IAA's compensation and benefits policies, generally
- To evaluate performance and compensation of the Executive Director/CEO
- To evaluate incentive or equity based compensation for all IAA employees
- To review all proposed Collective Bargaining Agreements
- To generally review and establish policies governing HR

Committee Membership and Meetings

The HRC shall consist of no fewer than four (4) members. The members shall be appointed by the Board of Directors, based on the recommendation of the Board President. HRC members may be replaced by the Board at any time, and the Board shall appoint/reappoint the members of the HRC annually. The Board shall designate one member of the HRC to serve as its chairperson.

The HRC shall meet at least twice annually, or more frequently as circumstances dictate. Special meetings may be convened as the HRC deems necessary or appropriate.

Committee Authority and Responsibilities

- A. The HRC shall have the authority to retain at the expense of IAA a compensation consultant to assist IAA, the Board, or the HRC in the evaluation of the compensation of the Executive Director/CEO and shall have the authority to approve such consultant's fees and other retention terms.
- B. The HRC also shall have the authority, to the full extent it deems necessary or appropriate to carry out its responsibilities, to retain at the expense of IAA special legal, accounting, actuarial, or other advisors. The HRC shall have the authority to approve such advisor's fees and other retention terms.
- C. The HRC annually shall review and approve corporate goals and objectives relevant to Executive Director/CEO compensation, evaluate the Executive Director/CEO's performance in light of those goals and objectives, and determine and approve the Executive Director/CEO's compensation level based on this evaluation. In determining the incentive component of the Executive Director/CEO's compensation, the HRC may consider IAA's performance, the value of similar incentive awards to Executive Directors/CEOs at comparable

airports or other businesses and other factors that the HRC deems appropriate in connection with its review.

- D. The HRC annually shall review with the Executive Director/CEO his/her assessment of the performance of key members of IAA's senior management and his/her compensation decisions with respect to each.
- E. The HRC shall review, and approve all policy aspects of IAA's compensation and benefit plans, or material changes thereto, IAA employees, including incentive-based compensation plans and equity-based compensation plans.
- F. The HRC, in consultation with the Executive Director/CEO, shall review succession planning relating to the Executive Director/CEO position and other key members of IAA's senior management.
- G. The HRC, in consultation with the Executive Director/CEO, shall review all proposed Collective Bargaining Agreements prior to their approval and implementation. The HRC shall interpret, implement, administer, and approve all aspects of proposed Collective Bargaining Agreements and recommend any changes to the Board for approval or denial.
- H. The HRC may form and delegate authority to subcommittees as the HRC may deem appropriate.
- I. The HRC may, at the delegation of the Board, interview candidates and consult on behalf of the Board with the Executive Director/CEO on the hiring or release of key members of senior management.
- J. The HRC may, at the delegation of the Board, conduct searches for and make recommendations to the Board for the position of Executive Director/CEO.
- K. The HRC shall report regularly to the Board, but not less frequently than annually.
- L. The HRC shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Charter is in all respects subject to and subordinate to IAA's Certificate of Incorporation and By-laws, as such documents may be amended from time to time and all applicable laws.
- M. The HRC annually shall review its own performance and report the results of such review to the Board.

In addition to the activities described above, the HRC will perform such other functions as necessary or appropriate in its or the Board's opinion under applicable law, IAA's Certificate of Incorporation, By-Laws, and the resolutions and other directive of the Board.

This HRC Charter was adopted by the Board of Directors and is in effect as of _____, 2010.

IAA Board Meeting
Consent Calendar Agenda
March 19, 2010

Consider for approval:

A) General Business

- BP2010-03-1** Amendment No. 4 to the Lease and Operations Agreement with Indianapolis Aviation, Inc.
- BP2010-03-2** A Land Lease Agreement with Tom Wood, Inc.
- BP2010-03-3** The Consultant Contract with Landrum & Brown, Inc. for the Airport Property Land Use & Development Strategy..
- BP2010-03-4** The Second Amendment to the Concession Agreement with Enroute Massage & Spa, LLC.

B) Capital Program

- BP2010-03-5** Plans and Specifications for Bid Package H-09-045 - Hangar Rehabilitation, Phase III (Elevator) – Heliport as prepared by F & G Engineers, Inc. and authorize the public bidding process.
- BP2010-03-6** An amendment to the contract with Indiana State University for Bat Monitoring and reporting for an additional two (2) year term in an amount not-to-exceed \$504,872. D/M/WBE 0%
- BP2010-03-7** The purchase of a Multi Purpose Rescue Vehicle replacement from Pierce Manufacturing Inc., the most responsive and responsible bidder for the bid amount of \$399,080.00.
- BP2010-03-8** Two (2) Change Order Requests – IND

C) Real Estate

- BP2010-3-9** Quitclaim deed and its terms and conditions for the transfer of land between the Indianapolis Airport Authority and the Indiana Department of Transportation.



Board Memo – Amendment No. 4

To: IAA Board of Directors

From: Marsha Stone, Chief Financial Officer

Date: February 25, 2010

Board Date: March 19, 2010

Subject: Amendment No. 4 to Lease and Operations Agreement with Indianapolis Aviation, Inc.

Background

Indianapolis Aviation, Inc. (Indy Aviation) entered into a long term Agreement with the IAA in 1989 to operate a Fixed Base Operation (FBO) at Metropolitan Airport (Metro). In 2009, Indy Aviation met with the Reliever Airports Committee to discuss their declining FBO business and to seek financial assistance from the IAA (rent relief / IAA taking over debt payments and/or the buyout and subsequent takeover of managing the FBO). It was also discovered during this time frame, that Indy Aviation had obtained a mortgage against the leasehold interest without the consent of the IAA.

The Reliever Airports Committee in review of the Indy Aviation request elected not to pursue the requested buyout proposal, provide rent relief, or other matters of financial assistance to Indy Aviation. Subsequently, Tom Auda, owner of Indy Aviation has sought out interested parties in either an outright sale of his business or portions of the leasehold interest.

Subsequently, Indy Aviation has found a buyer for a portion of their leasehold interest. Indy Aviation has entered into a Purchase and Sale Agreement with Tom Wood, Inc. (Tom Wood) for the purchase of one (1) of the two (2) hangar facilities within the Indy Aviation leasehold.

With the approval of this Amendment No. 4, the IAA will have consented to the Purchase and Sale Agreement between Indy Aviation and Tom Wood for this hangar. In turn, Tom Wood will then enter into a new Lease Agreement with the IAA under the same financial terms and conditions as Indy Aviation was paying for this particular hangar site. The Tom Wood hangar will be used only for Tom Wood owned aircraft and will be restricted from using the hangar for any other purpose.

Additionally, as a condition of this Amendment, Indy Aviation is required at closing of this transaction to payoff any and all debt related to the FBO operation including the mortgage Indy Aviation never received consent from the IAA.

This option will provide financial stability to the FBO operation and, further insure the lease revenues to the IAA remain as scheduled.

Scope

This Amendment provides for the consent of Purchase and Sale Agreement for a portion of the leasehold interest to Tom Wood. The Amendment shall also restructure the Leased Premises by removal of one (1) hangar facility associated with the sale as well as eliminate the debt obligations against the remaining leasehold interest.

Schedule

March 19, 2010: Execution of Amendment No. 4 to Lease and Operations Agreement with Indianapolis Aviation, Inc.

Revenue and/or Operating Cost Implications

Revenue:

Annual rental through January 31, 2015, will be \$18,840.26. Annual rental is adjusted by consumer price index calculation for the remaining five-year term through January 31, 2020. With the execution of this Amendment and Tom Wood, Inc. Agreement, the IAA will remain revenue neutral as it relates to these two transactions.

Operating Costs:

There are no operating costs associated with this Amendment.

Diversity Participation

Not applicable.

Recommendation

IAA Staff recommends that the Board consider for approval Amendment No. 4 to Lease and Operations Agreement with Indianapolis Aviation, Inc.



Board Memo – Land Lease Agreement

To: IAA Board of Directors
From: Marsha Stone, Chief Financial Officer
Date: February 25, 2010
Board Date: March 19, 2010
Subject: Land Lease Agreement with Tom Wood, Inc.

Background

By separate Board document, the IAA is requested to consent to the Purchase and Sale Agreement between Indianapolis Aviation, Inc. (Indy Aviation) and Tom Wood, Inc. (Tom Wood) for a hangar facility at Metropolitan Airport (Metro); which previously was a portion of Indy Aviation's Fixed Based Operation (FBO).

As stated in the Indy Aviation Board Memo, Indy Aviation entered into a long term Agreement with the IAA in 1989 to operate a Fixed Base Operation (FBO) at Metropolitan Airport (Metro). In 2009, Indy Aviation met with the Reliever Airports Committee to discuss their declining FBO business and to seek financial assistance from the IAA (rent relief / IAA taking over debt payments and/or the buyout and subsequent takeover of managing the FBO). It was also discovered during this time frame, that Indy Aviation had obtained a mortgage against the leasehold interest without the consent of the IAA.

The Reliever Airports Committee in review of the Indy Aviation request elected not to pursue the requested buyout proposal, provide rent relief, or other matters of financial assistance to Indy Aviation. Subsequently, Tom Auda, owner of Indy Aviation has sought out interested parties in either an outright sale of his business or portion of the leasehold interest.

Subsequently, Indy Aviation has found a buyer for a portion of their leasehold interest. Indy Aviation has entered into a Purchase and Sale Agreement with Tom Wood, Inc. (Tom Wood) for the purchase of one (1) of the two (2) hangar facilities within the Indy Aviation leasehold.

With the approval of the Purchase and Sale Agreement, Tom Wood will enter into a Land Lease Agreement with the IAA for the hangar facility. This Agreement shall be under the same financial terms and conditions as with the Indy Aviation Agreement, which provides for a term through January 31, 2020 and one-ten year option term.

Scope

This Agreement provides for the leasing of a hangar facility at Metro via the approval of a Purchase and Sale Agreement between Indy Aviation and Tom Wood as provided by a separate board memo.

Schedule

March 19, 2010: Execution of a Land Lease Agreement with Tom Wood, Inc.

Revenue and/or Operating Cost Implications

Revenue:

Annual rental through January 31, 2015, will be \$3,031.66. Annual rental is adjusted by consumer price index calculation for the remaining five-year term through January 31, 2020. With the execution of this Agreement and Indianapolis Aviation, Inc. Amendment No. 4, the IAA will remain revenue neutral as it relates to these two transactions.

Operating Costs:

There are no operating costs associated with this Agreement.

Diversity Participation

Not applicable.

Recommendation

IAA Staff recommends that the Board consider for approval a Land Lease Agreement with Tom Wood, Inc.



Contract with Landrum & Brown, Inc.

To: IAA Board of Directors
From: Marsha Stone, Chief Financial Officer
Date: March 12, 2010
Board Date: March 19, 2010
Subject: Airport Property Land Use & Development Strategy
Consultant Contract with Landrum & Brown, Inc.

Background

A Request for Qualifications (RFQ) was issued in August 2009 to solicit qualified firms to submit for the Airport Property Land Use & Development Strategy (Study). This Study is to identify the highest and best use of airport land, including reuse of the old terminal area and its support facilities, for both aeronautical and non-aeronautical use to optimize overall revenue opportunities for Authority owned land and assets at Indianapolis International and the General Aviation Reliever Airports.

An extensive review process was undertaken by the Authority's Land Use Committee (LUC), comprised of IAA staff, ICVA and IEDI representatives. This process involved: reviewing and scoring all fourteen (14) responses to the RFQ, having the top seven (7) respondents provide presentations/interviews and again, scoring these seven (7) teams (based on the presentation) on a detailed criteria matrix. Through this process, it became evident to the LUC that one team, led by Landrum & Brown (L & B), best presented its ability to achieve the objectives of the Study. Following the recommendation of the LUC, the IAA Board approved the selection of L & B as the prime consultant for the Study at the February 19, 2010 Board meeting and authorized staff to enter into contract negotiations.

Through the RFQ process, IAA Staff meetings and IAA Board briefings, the one component which continued to gain momentum and ultimately, came to the forefront of importance within the Study is community outreach. As the Community Outreach Strategy (COS) has been identified as critical to the project's success, IAA Staff is recommending that community outreach (scope, hours and costs) be pulled out under separate contract with a defined scope of work and timeline to support the overall Land Use Study, and led by IAA's Communication and Marketing team. IAA's proposed COS is included as an appendix to this paper. (Refer Appendix # 1)

In order to facilitate input from and communication with the community throughout the Study, IAA Staff is recommending that a Land Use Advisory Committee (LUAC) be formed to represent the voice and the will of the IAA, its stakeholders and the Central Indiana community. The LUAC will provide the leadership to drive the outreach effort intended to result in widespread acceptance of the land use plan process. The LUAC shall be comprised of Key Opinion Leaders who equitably represent the interests of the IAA and Central Indiana community. A working charter defining roles, responsibilities and proposed composition of the LUAC is included.(Refer Appendix #2)

Given the significance of the Community Outreach Strategy and formation of the LUAC, additional time is being taken to draft the scope for this element of the Study. Contracts to support the Community Outreach Strategy will be presented to the IAA Board for approval at the April 16, 2010 Board Meeting. As such, the L & B contract being presented for Board approval at the March 19, 2010 Board meeting does not include hours or scope to support community outreach.

Scope of Work – L & B

The L & B Consultant Contract will include several phases of analysis in the Study of all IAA Airports to include but not limited to, identifying land/areas as aeronautical uses verses non-aeronautical uses, highest and best use of airport land to maximize long term revenue streams, explore opportunities of reuse of the old terminal area, and develop uses, to the extent possible, to support economic development and job growth in the metropolitan area. The "Scope of Work" related to the L & B Consultant Contract is provided as an attachment to this Board Memo (Appendix #3).

Schedule

March 19, 2010:	Execution of the Consultant Contract with Landrum & Brown, Inc.
April 16, 2010:	Execution of Consultant Contracts for Community Outreach Strategy & Land Use Advisory Committee subject matter
Mar – Jun 2010:	Document consolidation and research
Jul 2010:	Recommendation of aeronautical vs. non-aeronautical land use
Aug 2010:	30% project completion
Sept – Oct 2010:	60% project completion
Nov 2010:	90% project completion
Dec 2010:	Final IAA Board presentation of completed Study

Capital Cost Structure

IAA Staff is recommending Total Study / Project Cost to be approved in an amount not to exceed \$2,000,000. The Study will be funded through the Capital Improvement Program (CIP) and will require a Management-In-Interest (MII) notification to the Signatory Air Carriers. There is Budget capacity within the 2010 CIP Budget to complete this Study in total as other previously approved (budgeted) projects will not be implemented or come to fruition during this budget cycle.

IAA Staff is seeking via this Board Memo approval of the overall Study cost of \$2M including the L & B component at a cost of \$1,300,000. A breakdown of overall cost of the Study is as follows:

- Landrum & Brown Consultant Contract \$1,300,000
- Community Outreach Strategy Contract(s) \$300,000 to \$400,000
- Dr. John Kasarda - Consulting Services to IAA (Aerotropolis) To be Determined
- Contingency Costs Remaining Balance

The breakdown of the dollar amount and Sub-Consultant participation associated with the L & B Contract component is noted within Appendix #4.

L & B Consultant Team Structure and Key Staff

Appendix #5 depicts the overall L & B Consultant Team, including Sub-Consultants and Key Staff from each company. There will be a total of nine (9) companies on the L & B Team participating in the Study

L & B Contract - Local Company and Diversity Participation

Appendix #4 provides an overall breakdown to the cost structure of the L & B Contract including local company participation and diversity participation. At a summary level, local and XBE participation in the proposed L & B contract is as follows:

Total Local participation (XBE and Non-XBE)	47%
Local MBE (Shrewsberry & Assoc and A2SO4)	13%
Local WBE (Keramida and Reprographics)	5%

NOTE: diversity participation within the Community Outreach Strategy portion of the project will be submitted separately when contract(s) for that portion of work are submitted for the April 16, 2010 Board meeting.

Recommendation

IAA Staff recommends the Board consider for approval the Airport Property Land Use & Development Strategy Project Budget of \$2,000,000 and award of contract to Landrum & Brown, Inc. in an amount not to exceed \$1,300,000, including reimbursable expenses.

Appendices

- Appendix #1 – Community Outreach Strategy
- Appendix #2 – Land Use Advisory Committee Charter
- Appendix #3 – L & B Scope of Work
- Appendix #4 – L & B Cost Structure / Local Company & Diversity Participation
- Appendix #5 – L & B Consultant Team Structure & Key Staff

Land Use Community Outreach Strategy (COS)

Indianapolis Airport Authority Airport Property Land Use & Development Strategy (Study)

Appendix #1

Community Outreach Strategy

The Community Outreach Strategy (COS) intends to engage identified stakeholder groups in the Study process. The expected outcomes of the COS are: (1) the community and business stakeholders understand the land use planning and development process; (2) the stakeholders engage in active and meaningful participation through the Land Use Advisory Committee (LUAC), IAA Staff and/or Study Consultancy; and (3) the Study process is inclusive and transparent to the community at-large.

The stakeholder participant audience(s) will be derived from the greater metropolitan area so as to effectively include participation related to all of the IAA's airports and may include, but are not limited to:

- General Public
- Neighborhood and business associations
- Community and church groups, advocacy and activist groups
- Airport tenants and users
- Local business leaders of small/medium-sized businesses
- Government agencies, i.e., Indianapolis Metropolitan Planning Organization (MPO), Indiana Department of Transportation (INDOT), township/city/county planners, Federal Aviation Administration (FAA), Indiana Department of Tourism
- Economic development groups/organizations; i.e., Greater Indianapolis Foreign Trade Zone (GIFTZ), Central Indiana Corporate Partnership's (CICP), Indiana Economic Development Corporation (IEDC), Indianapolis Economic Development, Inc. (IEDI)
- City/township/county/state elected officials
- Indianapolis sports corporations, including the Indianapolis Colts, the Indianapolis Motor Speedway, NCAA, Indiana Sports Corp.
- State and local educational institutions, including colleges and universities
- IAA Land Use Committee
- IAA Board

Airport Property Land Use & Development Study Visioning meetings

Purpose: The IAA will hold visioning and information meetings with various constituents at appropriate locations. The purpose of the visioning and information meetings is to engage stakeholders in developing and disseminating the vision for the Study. The LUAC plays a key role in this initial strategy and will serve as a funnel of communication to those constituents the individuals of the LUAC represent.

IAA CCO Role: The IAA Chief Communications Officer (CCO) will oversee and manage the COS initiative and work with select service providers in developing a set of guiding principles while

overseeing all collateral materials, and working in concert with service providers and stakeholder groups. For purposes of this document, the CCO's team will be known as the Land Use Outreach Team (LUOT) which includes Study Consultancy and IAA Staff.

Landrum & Brown (L&B) Team Role: The L&B team will provide an appropriate designee to work with IAA staff in providing necessary project information for message and collateral material development. The L&B designee is a member of the LUOT. The outcome of this work will be a vision statement as well as attaining required documents and outreach plan processes. A priority role of the L&B designee will be to attend and present visioning meetings in order to obtain first-hand information from stakeholder groups.

Visioning Meeting Preparation

The LUOT will organize meetings to include: meeting locations, provide publicity, staffing, as well as equipping the meeting site(s). Meeting preparation includes the production of graphic and material/handout information consisting of a PowerPoint presentation, display boards, handouts/worksheets, sign-in forms, and meeting identification signs as well as developing and mailing the meeting invitations to stakeholder participants.

Determine Study Issues and Identify Interested Parties

Prior to conducting the visioning meetings, the LUOT will convene a session with IAA staff and the Land Use Committee. The purpose of this meeting is to identify issues, planning and development concerns, and aviation versus non-aviation visions of IAA before engaging with the public and the key stakeholder groups.

Visioning Meetings

Visioning meetings provide the stakeholders with an opportunity to learn about the Study process and purpose and to provide input on the issues and concerns that should be addressed in the data collection efforts, technical analyses, development plans, and implementation strategies.

The role of the LUOT will be establishing and engaging in a dialogue with attendees for the purpose of identifying issues, and concerns, ideas, information about existing and planned developments, community/regional needs, economic development initiatives and opportunities for collaboration.

Land Use Advisory Committee (LUAC) Meetings

At the completion of key study milestones, a series of meetings will be convened with the LUAC. These meetings will keep the LUAC members informed of the data needs and data collection efforts, the progress of the analysis, and each meeting will be a forum for the discussion of the study methodology, the findings of key analyses, and development plan proposals.

The first of the series of LUAC meetings will be held following the visioning meetings to review what was learned and for the LUOT to provide information/analysis based on the visioning meeting issues. Information obtained by the LUOT during these meeting will assist in the development and refinement of future tasks.

- LUAC meeting #1 – Post-Visioning Meeting Debrief and Planning Session
 - Aviation Needs and Facility Land Requirements
 - Results of the Market Assessment
 - Airport Benchmarking Research
- LUAC meeting #2 – Development Alternatives / Analysis and Evaluation
- LUAC meeting #3 - Implementation Strategies / Plans

IAA Land Use Committee Meetings

The IAA Land Use Committee (IAA LUC), which consists of IAA Staff, Indianapolis Convention and Visitors Association and Indianapolis Economic Development Inc. representation, will provide the technical review and input on the detailed and highly technical matters pertaining to the Study derived from Study Consultancy. This would include significant input on the direction of the study process(es), the development of the Study goals and objectives, the review of all Study assumptions, findings, and conclusions, assist in the development of the evaluation criteria to be used in the analysis of alternatives, review and comment on the development plan alternatives and evaluation. These LUC meetings provide a forum for the L&B Team to present the Study progress, identify and respond to pertinent project issues, discuss the results of important analyses, and to obtain comments.

Subsequent to all IAA LUC meetings, the L&B Team with the assistance of IAA's CCO will present the study milestone findings to the IAA Board. The IAA LUC meetings will occur at the same key study milestones as the LUAC meetings:

- IAA LUC Meeting #1 – Post-Visioning Meeting Debrief and Planning Session
 - Aviation Needs and Facility Land Requirements
 - Results of the Market Assessment
 - Airport Benchmarking Research
- IAA LUC Meeting #2 – Development Alternatives / Analysis and Evaluation
- IAA LUC Meeting #3 - Implementation Strategies / Plans

IAA Board Presentations

The IAA Board will provide all policy decisions pertaining to the Study. The IAA Board will be briefed on the Study technical analysis, findings, and recommendations after the IAA LUC has reviewed and commented on all Study materials.

These IAA Board presentations will occur at the same key Study milestones as the IAA LUC meetings:

- IAA Board Presentation #1 – Post-Visioning Meeting Debrief and Planning Session
 - Aviation Needs and Facility Land Requirements
 - Results of the Market Assessment
 - Airport Benchmarking Research
- IAA Board Presentation #2 – Development Alternatives / Analysis and Evaluation
- IAA Board Presentation #3 - Implementation Strategies / Plans

Public Workshops

Public Workshops will be held for each of the IAA's airports within the Study:

- Workshop Location 1: Indianapolis International Airport/Downtown Heliport
- Workshop Location 2: Eagle Creek Airport/former Speedway Airport
- Workshop Location 3: Gordon Graham Field—Hendricks County Airport
- Workshop Location 4: Metropolitan Airport
- Workshop Location 5: Mt. Comfort Airport

The Public Workshops will be held at some pre-determined milestone (to be decided by the IAA) for the purpose of receiving public comment in the process of evaluating the alternatives and developing the plan documents.

LUOT & L&B Roles: The LUOT and Study Consultancy will prepare, advertise, and facilitate the Public Workshops. The public will be notified of the Public Workshops via print and electronic media with adequate time in advance of the scheduled public meeting date. The public notification will specify the location, date and time, and format of the meeting. Following conclusion of each Public Workshop, any comments received by LUOT will be forwarded to the L&B Team for review and consideration in the Study analysis.

Final Public Workshops

A Final Public Workshop will be held for each of the IAA's airports within the Study:

- Workshop Location 1: Indianapolis International Airport/Downtown Heliport
- Workshop Location 2: Eagle Creek Airport/former Speedway Airport
- Workshop Location 3: Gordon Graham Field—Hendricks County Airport
- Workshop Location 4: Metropolitan Airport
- Workshop Location 5: Mt. Comfort Airport

The Final Public Workshop would be held when all plan documents have been prepared and accepted by the IAA Board. The purpose of the presentations at the final Public Workshops will be to disseminate the proposed development plans, the opportunities and constraints at each airport site, the economic development initiatives and opportunities, and implementation plans and responsible parties.

Developing IAA Message and Dissemination of Message to the Public

The LUOT will manage activities designed to inform the public at large and key stakeholders about the Study. Key to this activity is the close involvement of the L&B team.

Key Person Media Interviews

Up to twenty-four (24) key person interviews will take place. The interviews will take place over two (2) days at Indianapolis International Airport or other Reliever Airports. Key persons will be identified by the Land Use Committee, IAA Board, and IAA staff, but cannot include members of the Land Use Committee. Interviews will be conducted at the airport offices, but also can be conducted via telephone should interviewees not be able to make a scheduled meeting time.

Speakers Bureau

The LUOT will prepare presentations for a speaker's bureau for up to four (4) different milestones in the Study (introduction, analysis, draft framework, and draft recommendations). The LUOT, working with the LUAB will identify speaker's bureau participants as well as appropriate venues. It is anticipated that IAA staff and/or team members will complete presentations to such groups as City Councils, Lions Club, Rotary Club, neighborhood organizations, Chamber, etc.

Plan Newsletter

A Study Newsletter will be developed for up to three (3) different milestones of the Study (introduction, analysis/framework, and draft recommendations) for dissemination to key stakeholders. The Plan newsletter will also be web-based.

Study Website

The LUOT will create and develop a webpage dedicated to the Study for key stakeholders to get general information about the Study and to monitor its progress. Examples of key information

that may be made available on the page include: contact addresses and phone numbers, public feedback, meeting times and locations, meeting minutes, descriptions of individual Study tasks, photos, maps, etc. The Internet provides an additional, effective tool in increasing public interest. The LUOT Team will periodically provide update Information for the website.

Radio and News Interviews

Radio and television announcements and interviews about significant milestones and Study progress would help keep those that do not regularly read the local paper informed about the Plan. Exploring the use of the government cable network is likely and a feasible enhancement to broad-based Study communications. The number of interviews will be determined based on Study progress.

Indianapolis Airport Authority Airport Property Land Use & Development Strategy

Land Use Advisory Committee

Appendix #2

Working Charter

The Land Use Advisory Committee (LUAC) represents the voice and the will of the IAA, its stakeholders and the Central Indiana community. The LUAC will provide the leadership to drive the outreach effort intended to result in widespread cooperation and acceptance of the Airport Property Land Use & Development Strategy process.

Roles and Responsibilities

- Commitment in supporting IAA's process to put forth an effective, inclusive and strategic process for identifying the highest and best use of the IAA's land and assets.
- Brief Landrum & Brown on the land use needs of the Central Indiana strategic assets, including economic development sectors (life sciences, clean technology, logistics, advanced manufacturing) higher education (technology parks, incubators) and tourism. Assist in making further introductions to key leadership within the appropriate organizations.
- Assist in defining key messages.
- Serve as key spokespersons for land use initiative: assist in making personal presentations about the planning process to appropriate airport stakeholders and organizations.
- Leverage its influence to gain support of community opinion leaders: champion the land use process as open, inclusive and transparent through participation in media outreach, speaker bureau, OpEds, etc.
- Provide input to and support for public policy initiatives needed to realize IAA land use goals.
- Explore the feasibility/need for creation of a public-private partnership to develop and fund the best uses of airport land.
- Provide periodic review of land use plan's development to assure consistency with IAA goals and objectives.

Recommended Composition

The LUAC shall be comprised of Key Opinion Leaders who equitably represent the interests of the IAA and Central Indiana community. Members should reflect key sectors that will likely be involved in or directly impacted by the land use plan. In addition LUAC members represent constituents that have airport land use business development interests or have knowledge of land use needs. Recommended members are intended to also represent various community sectors noted in the roles/responsibilities section. This multi-disciplined group will have geographic, political, and ethnic diversity.

Recommended Member Categories (for consideration):

IAA Board (2) – *(includes chair position)*

County representation - to reflect IAA Board composition

- Marion
- Hendricks
- Hamilton
- Hancock
- Morgan

City County Council (airport and/or Westside councilors - 2)

Township representation:

- Wayne
- Decatur

Mayor's Office's designee

Indianapolis Chamber of Commerce

Indiana Economic Development Corporation

Hendricks County Economic Development representation

Central Indiana Transit Task Force (CITTF)

CICP

The Indy Partnership

The Hoosier Environmental Council

Utilities representation - i.e. Duke Energy, IPL, Citizens, etc.

Higher education - College or University representation

Region-wide hospital system representation

Indiana Convention & Visitors Association (representation via Land Use Committee)

Indianapolis Economic Development Inc. (representation via Land Use Committee)

Note: If the IAA Board would consider a co-chair position to enhance the visibility and range of the LUAC, a recommendation of former Purdue University president should be considered.

Scope of Work

Indianapolis Airport Authority Airport Property Land Use & Development Strategy

Appendix #3

This Scope of Services specifies for Landrum & Brown and its sub-consultants (Consultant Team) the elements necessary to prepare an Airport Property Land Use & Development Strategy (Study) for the Indianapolis Airport Authority (IAA). This Study will determine a broad regional overview for the development and/or redevelopment of available IAA land at and surrounding the Indianapolis International Airport (IND) and its Reliever Airport System over a 20-year time horizon. The Study will culminate in a comprehensive vision of future aviation and non-aviation land use and development opportunities.

The geographic region encompassing IND and the five (5) general aviation airports making up its Reliever Airport System is shown on Exhibit 1, *IAA Airports*. The five general aviation airports are Eagle Creek Airpark, Hendricks County Airport—Gordon Graham Field, Indianapolis Downtown Heliport, Metropolitan Airport, and Mount Comfort Airport. The land associated with the former Speedway Airport is to be included in the Study.

The cost estimate for this Scope of Services is provided in Attachment A, *Study Labor and Expenses*. The proposed project schedule to complete the Study is contained in Attachment B, *Study Schedule*.

1.0 OVERVIEW OF SCOPE OF SERVICES:

The objective of this Study is to assess the land parcels, including reuse of portions of IND, that are currently controlled by IAA at all of its airports and the additional land parcels surrounding the IND property primarily for commercial development, including aeronautical related options that can generate additional aviation revenues.

A comprehensive market analysis will be conducted to establish a Land Use Plan for those IAA controlled parcels at IND that are not needed to serve the aviation demand needs projected over a 20-year planning horizon. The results of this study, and design effort will define a long-term strategy for developing aeronautical support or commercial (non-aviation) facilities on lands on or adjacent to IND and its Reliever Airports that are owned and controlled by the IAA.

The land use planning and development strategies should:

- Meet the long-term aviation requirements of the IAA airports
- Meet all grant requirements of the Federal Aviation Administration (FAA)
- Provide maximum economic return to the IAA
- Assess the collateral development potential outside the new terminal building
- Interface with off-airport development initiatives
- Contribute to local employment, business, tax revenues, neighborhood rehabilitation, and other public purposes

- Be compatible with high levels of aircraft noise and airport safety requirements
- Interface with surrounding communities, cities, and counties in a communicative teamwork approach

The work product deliverables shall provide "value maximization" documentation so that IAA can make optimal use of the proceeds from leasing and development of aviation and non-aviation parcels in accordance with the strategies and recommendations provided through this Study.

The Study approach will:

- Identify the opportunities and constraints of the sites. These include environmental conditions, encumbrances (title and/or FAA grant assurances), location, and infrastructure including energy/utilities, public transportation (e.g. bus service, light rail) in addition to sewer, water and road infrastructure.
- The Consultant Team will identify and analyze existing revenues and costs associated with the business elements under review. This would involve a wide range of areas including but not limited to such things as absorption rates, pricing, market comparability, financing costs, tenant fees, rental rates, leases and operating agreements, and costs and revenues associated with new facilities and functions).
- Identify markets for the various types of land uses that might be appropriate. These "markets" are interpreted to include potential for the expansion of functions indirectly related to aviation, as well as other uses that might be attracted to this location.
- Identify priorities and establish a program for project development. This will allow resources to be focused, results to be achieved at an early date, and the pace of development to be regulated to match the availability of funds for infrastructure improvements.

2.0 DEFINE AREA OF STUDY AND TIME HORIZON

The geographic areas to be addressed in this Study are described in the following tasks as the Primary Study Area, the Secondary Study Area, and Gateway Parcels. In this task, the Consultant Team and the IAA will define or confirm the specific parcels that constitute these areas for purposes of this Study.

The Study encompasses a 20-year timeframe for which a comprehensive vision of future aviation and non-aviation land use and development opportunities will be created. A regional vision and conceptualized plan will be developed for the 20-year build out of a cohesive "Aerotropolis" concept at IND.

A detailed and comprehensive analysis will be undertaken on the land parcels at IND and the Reliever Airports that are currently owned by the IAA.

2.1 PRIMARY STUDY AREA

The Primary Study Area includes the undeveloped land adjacent to and on IND and the IAA's Reliever Airports as shown on Exhibit 2, *Primary Parcels*. This includes the land parcels that are controlled by IAA and have been set aside for existing or future airport operations. The Primary

Study Area includes the former IND terminal area including, but not limited to, terminal building, parking lots, support facilities such as rental car lots and parking garage.

The IAA and the Consultant Team will work with the Outreach Team and the Land Use Committee, as warranted, to define or confirm the parcels that will constitute the Primary Study Area.

2.2 SECONDARY STUDY AREA

The Secondary Study Area includes the land parcels surrounding IND that are not included in the Primary Study Area and the remaining undeveloped parcels located at the IAA's Reliever Airports. The Secondary Study Area is depicted on Exhibit 3, "Secondary Study Area".

The IAA and the Consultant Team will work with the Outreach Team, that will be identified as the community outreach program develops, and the Land Use Committee, as warranted, to define or confirm the parcels that will constitute the Secondary Study Area.

2.3 GATEWAY PARCELS

The Gateway Parcels are defined as specific land parcels determined to be of higher significance and importance to the overall success of the IAA Aerotropolis vision. These parcels will be studied, conceptualized, and presented in a higher level of detail to unify, and further reinforce the findings of the Study. The Gateway Parcels could be property currently controlled by IAA or not. For the purposes of scope definition, the number of Gateway Parcels shall be limited to six (6).

The IAA and the Consultant Team will define the Gateway Parcels (Exhibit 4) through the course of this Study in coordination with the Land Use Committee, as warranted.

2.4 LAND AREA SUMMARY

As shown in Exhibit 2 and Exhibit 3; along with Gateway Parcels, dated December 2009:

A. Land Parcels controlled by IAA:

IND - Primary:	1,578.6 acres
IND - Secondary:	7,520.5 acres

B. Reliever Land Parcels controlled by IAA:

1. Mt. Comfort – Primary:	293.2 acres
Mt. Comfort – Secondary:	1,571.8 acres
2. Metropolitan - Primary:	95.9 acres
Metropolitan – Secondary:	370.1 acres
3. Eagle Creek – Primary:	43 acres
Eagle Creek – Secondary:	273 acres
4. Hendricks County - Secondary:	423.5 acres
5. Downtown Heliport - Secondary:	5.4 acres
6. Speedway(former) – Secondary:	147.4 acres

2.5 Validate Twenty (20) Year Aviation Forecast

A key element of the Study's 20-year horizon is the forecast of aviation demand. Future growth at the IAA airports will be predicated upon the aviation forecasts for passengers, cargo and operations. These elements will help define demand for the ancillary and supporting services that could be incorporated into the regional vision and conceptualized plan for the 20-year build out of a cohesive "Aerotropolis" concept at IND as well as the potential cash flows associated with development alternatives. The 20-year forecasts will be the basis for identifying collateral development opportunities for non-aviation businesses and potential revenue enhancements for existing facilities. The forecasts will also be utilized to ensure that the aviation facility needs are met over the long term. Forecasts will be validated for 5-year increments (years 2010, 2015, 2020, 2025, 2030). The forecast segments that will be validated with the IAA are:

- Annual Passengers (IND only)
- Annual Cargo Tonnage (IND only)
- Annual Aircraft Operations (IND and Reliever Airports)

Existing forecasts including IAA forecasts, the Reliever Airports Systems Study and the FAA Terminal Area Forecast will serve as the basis of the validation analysis.

Discussions with key airport tenants regarding their future aviation and support needs are also warranted at this stage of the Study.

2.6 Deliverables

- 2.6.1. Primary Study Area: Provide an Exhibit depicting the parcels that make up the Primary Study Area.
- 2.6.2. Secondary Study Area: Provide an Exhibit depicting the parcels that make up the Secondary Study Area.
- 2.6.3. Gateway Parcels: Provide an Exhibit depicting the land areas that define up to five (5) Gateway Parcels.
- 2.6.4. Aviation Forecast: 20-Year forecast of passengers, cargo and operations

3.0 PROPERTY ASSESSMENT

The purpose of this task is to review IAA property holdings to identify what parcels are available for aeronautical and non-aeronautical development. To complete this effort, the Consultant Team will first catalog all available property; determine what land areas need to be reserved for aviation needs in the near-term and for the long-term, and what parcels are most suitable for non-aeronautical development.

3.1 Develop Land Use Database and Base Map

The Consultant Team will work closely with IAA staff to determine which land parcels surrounding IND and its Reliever Airports are to be considered for aeronautical support and non-aeronautical commercial related development.

A base map and corresponding database of land parcels will be developed in AutoCAD format. Data will be collected from IAA existing databases and maps, and from local planning agencies or surrounding communities. The IAA will provide existing Exhibit A electronic files for IND and its Reliever Airports excepting that Eagle Creek Airpark, Metropolitan Airport and the Downtown Heliport will be provided in a PDF format due to the age of these facilities and the current IAA records.

The base map data will be available in a digitized form that can be used by AutoCAD. Computerized mapping, already available for the airport and portions of adjoining, community areas will be used as a basis for refining and completing the base map of the study area.

A base map of the area will be updated at a scale no smaller than one inch equals 6,000 feet (11 x 17 exhibit size). The names of primary streets, jurisdictional boundaries, and communities will appear on the map. The land use information will be updated using USGS, aerial photographs and data available from the IAA and surrounding communities.

3.2 Specific Parcel Characteristics and Conditions

The Consultant Team will conduct a detailed inventory of the Primary Parcels, Secondary Parcels, and Gateway Parcels to identify ownership, existing development plans, (if any), physical characteristics (ex: Utility Capacities), market potential and/or limitations (ex: Zoning or Environmental). Available plans and data on site conditions and development constraints will be reviewed, assembled and organized for analysis. The existing data will be supplemented with limited field inventories and/or interviews, as necessary. Information gathered in Tasks 3.3 through 3.6 will be used to populate the database.

- Identify and consider physical characteristics of the parcels (Primary and Secondary Parcels), ownership, stakeholders, parcel size, adjacent land uses, present use of the property, and physical constraints. Identify conceptual Gateway Parcel locations and logic.
- Identify airside access and potential utility for aviation or aviation related uses.
- Identify and consider legal issues, and existing zoning implications.
- Specific entitlements, restrictions (plat, land use, concurrency, federal funding assurances, etc.), and height restrictions.
- Available utilities and capacity.
- Ground transportation access including type of transportation, agency with jurisdiction, and level of service.
- Environmental: Provide data on wetland location, quality, permit requirements for proposed impacts and recommendations on wetlands and upland conservation. Provide information on existing environmental issues along with any known land cleanup responsibilities, existing U.S. Fish & Wildlife Service permit responsibilities, U.S. Corps of Engineer wetland permit responsibilities, and how existing issues would affect future development.
- Review of FAA and Airport Authority Records to identify grants issued for acquisition of land for noise compatibility/mitigation purposes.

- Review of FAA and Airport Authority records to identify grants issued for acquisition of land for airport development purposes and land donated by the Federal government for airport purposes.

The Consultant Team will develop conceptual Land Use Plan exhibits depicting the base conditions of IAA land holdings.

3.3 Review Ground Transportation Infrastructure

Ground transportation infrastructure is a key element in determining potential uses of IAA property. Likewise, a proposed change in use can affect the conditions on the roadway network. This task will undertake a review of the existing ground transportation infrastructure in the Study Area including:

- Existing roadway network.
- Other transportation facilities such as public transit and rail.
- Traffic volumes identifying existing volumes on major roadway links and historic traffic growth trends on selected links.
- Level of service on roadway links.
- Identification of traffic congestion and problem areas.
- Capacity of the existing infrastructure.
- Proposed improvement plans within the planning horizon including Indy Connect that will be identified later as the local mass transit roadmap under consideration by the City of Indianapolis.

Transportation agencies will be contacted to obtain information regarding existing conditions on the ground transportation network, the capacity of the existing infrastructure, and plans for improvement or expansion.

3.4 Review Utilities Infrastructure

The Consultant Team will also review the existing utilities infrastructure, its capacity within the Study Area, and plans for expansion or improvement. Utilities will include:

- Water
- Sewer
- Gas
- Electric
- Telecommunications

The Consultant will obtain information from pertaining agencies regarding the capacity of existing systems and expansion plans.

The Consultant will also undertake an analysis of the capacity of the IND Central Plant, which currently serves the Indianapolis Maintenance Center and Passenger Terminal.

3.5 Review Community Land Use plans

Planning agencies in surrounding communities will be contacted to obtain information concerning existing land use near the IAA's airports and planned land uses for areas likely to be affected by the Study. Adopted comprehensive land use plans will be reviewed and considered by the Consultant Team.

Data concerning, population, employment, income levels, community facilities, and other community factors will be collected and used in formulating the development plan. It is important that the development plan recommend re-use strategies that will be compatible with the community and adjacent areas.

3.6 Aviation Considerations

In this task, land use constraints and considerations related to Airport Master Plan (that have been in place for the past twenty (20) years), FAR Part 150 Noise Control Plans, and other aviation related studies will be identified and documented. This will be accomplished in such a fashion as to assist in the identification of the highest and best use of the land, with aviation related uses being considered highest priority.

Airport planning studies prepared for the IAA that contain existing and planned facility improvements at the airports will serve as the basis for this task effort. Associated with these plans, the Consultant Team will focus on reviewing and validating related zones that have been identified to protect the current and long-range planned uses. In close coordination with the IAA, the Consultant will identify the need to augment/update existing information for some of the airports with respect to the following areas, as needed to reach a determination of land required for long-term aviation needs:

3.6.1 Aviation Facility Requirements: Using the forecast of aviation demand and existing planning studies for IAA airports, the Consultant Team will update requirements for aviation facilities needed over the 20-year horizon but consideration should also be provided for future aviation development beyond this timeframe. Facility requirements will be prepared using industry acceptable standards and based on FAA master planning guidelines. Facilities that will be covered in this analysis include but are not limited to:

- Runway/taxiway system
- Apron/parking positions
- General aviation ramp and hangar facilities
- Fixed Base Operator (FBO)
- Air Cargo ramp and building requirements
- Ground handler facilities
- Vehicular parking and ground access for commercial passengers, air cargo tenants, general aviation tenants, and employees
- Staging areas
- Maintenance facilities for airport and tenants
- Roadway modifications

Requirements will be defined in terms of square footage areas, where appropriate, to ensure that adequate land is reserved to serve the near-term and long-term needs of the airports.

- 3.6.2 Delineate Expansion Needs: Using the base map prepared in Task 3.1, future aviation land uses will be identified. This will ensure continuity with the prior planning efforts and protection of land areas for aviation expansion. Dimensional criteria designed to protect the operational surfaces of the runways, including approach and departure zones, building restriction lines, sterile areas for facilities, equipment, NAVAIDs, and other aviation uses, parking limit and object clear areas, and other criteria established by the FAA to protect the operational mission of the airport will be delineated on the base map. In addition, land use designations will be used to identify overall airports' land uses.
- 3.6.3 Delineate Airspace Protection: In addition to the criteria identified, there are horizontal and vertical constraints that must be used to guide development. Part 77 surfaces, U.S. Terminal Instrument Procedures (TERPS) and runway dimensional criteria reflecting the future build out of the airport will be used to depict horizontal and vertical protection areas unless adopted airspace zoning ordinances appropriate to each airport provides a more strict standard.
- 3.6.4 Confirm Noise Impact Areas: Recently completed noise studies at IND have identified noise impact areas and have also identified compatible land uses for these areas. Noise contours, (65, 70 and 75 DNL) will be included on the base map, as well as, compatible land use recommendations.
- 3.6.5 Assess Off-Site Considerations: In addition to the aviation factors, there are other considerations which may impact land use recommendations, which should also be identified during this process. Items including access capacity, utilities (gas, water, sewer, electricity, telecommunications), existing off-airport land use, future land use plans, and other plans are important factors and should be identified on the map, based on information collected in previous and subsequent tasks.
- 3.6.6 Identify Safety Needs: Associated with the airport land use plans, there are a variety of safety issues which fall outside dimensional criteria but nonetheless must be identified during the process. These include prohibitions against uses which create barriers or adversely impact aviation uses. Example land uses, which are prohibited, include those, which create fog, smoke, or other visibility problems around the landing, areas, or electronic interference with the airport's telephone and telecommunications equipment.
- 3.6.7 Develop Alternative Conceptual Land Use Plans: Using the base map and the data developed in this Task the Consultant Team will develop alternative conceptual land use plans. At this stage of the project, the plans will be focused on delineation of aeronautical vs. non-aeronautical uses. Non-aeronautical uses will be further defined after completion of the market analysis and highest and best use analysis in subsequent tasks.

3.7 Deliverables

- 3.7.1. Soil Conditions: Provide an Aerial photo map showing surface soil types based on each airport's county location, using data available from U.S. Department of Agriculture at a minimum.

- 3.7.2. Topography: Provide a map of the subject land parcel showing general topography using IAA provided mapping where available or USGS Quadrangle Mapping for other areas at a minimum.
- 3.7.3 Aviation Considerations: Provide documentation on aviation related needs and analyses for each of the IAA airports.
- 3.7.4. Conceptual Land Use Plans: Prepare up to two (2) alternate schemes with up to one (1) revision to each scheme. Conceptual Land Use Plans are to be fully colored computer generated design exhibits based on files of the site boundary drawings provided by the IAA.
 - Primary Study Area: A higher, more detailed and comprehensive level of analysis and design effort is to be conducted on the Primary Study Area. The conceptual Land Use plans for this area will include rudimentary building footprint and building location indications with anticipated coverage. Detailed site planning with detailed building design, site access points, vehicular drives, vehicular parking, and detention pond placement is not included in this scope of work.
 - Secondary Study Area: A conceptual and significantly less detailed level of analysis and design effort is to be conducted on the Secondary Study Area land. The conceptual Land Use plans for this area will include conceptual coverage, but will not include rudimentary building footprint and location indications. Detailed site planning with detailed building design, site access points, vehicular drives, vehicular parking, and detention pond placement is not included in this scope of work.

4.0 STAKEHOLDER OUTREACH

Intentionally omitted. To be performed in separate Consulting Contract

5.0 RESEARCH DEVELOPMENT PATTERNS ADJACENT TO AIRPORTS

5.1 Similar Airport Comparative Analysis

The Consultant Team will identify up to six (6) U.S. commercial airports and associated central cities/regions that are similar to IND and the Indianapolis Metropolitan Area, with consideration to air passenger and air cargo traffic, airport location and access relative to downtown and suburban growth patterns.

Using industry sources, such as AAAE and ACI-NA, the Consultant Team will identify up to six (6) U.S. and foreign airports that have had successful (or pertinent unsuccessful) redevelopment programs. The research effort will be designed to draw information from these airports that will be valuable in developing development, marketing, and management alternatives and plans. This assessment will also elicit information pertaining to problems and special issues encountered in attempting to develop on-airport land and adjacent land for non-aviation purposes.

Types, amounts, and development history of adjacent land uses at these airports will be profiled and assessments will be made as to the relationships of these uses to airport traffic and operations, airport location and access, and metro area market characteristics. These comparative profiles will provide a basis for assessing and identifying development marketable commercial, industrial, and aviation-related development opportunities for the IAA, including

retail, lodging, office, warehouse-distribution, convention center, aviation support services, residential, hospitality, medical and entertainment. This research will include survey and assessment of U.S. airports and airport environs that capture or promote the emerging airport city or Aerotropolis concept.

5.2 Deliverables

Results of this task will be prepared and submitted as a working draft and will present general profiles of the identified airports selected for analysis as well as discussion of the rationale and criteria used for selection. Particular attention will be given to those airports and airport environs that exhibit characteristics of and/or area developing and promoting the Aerotropolis concept relative to the airport serving as a catalyst and anchor for a mix of urban activities and land uses. The findings of this assessment will also identify the successful development strategies and examples of actions to be avoided.

6.0 MARKET ASSESSMENT: CHARACTERISTICS AND FACTORS

The Consultant Team will undertake macro-level, and parcel specific analyses of development opportunities for commercial, industrial, retail, convention center/entertainment, residential, hospitality, medical, and aviation related uses at the IAA's Airport. This analysis will be based on property characteristics (see Task 3), survey and assessment of similar or illustrative airports (see Task 5), and assessment of specific Indianapolis area market characteristics and factors (Task 6).

6.1 Market Assessment

- 6.1.1 Analysis of market demographics and economic characteristics that drive development, including market size and growth trends (population and jobs) and size and growth of business and industry sectors that drive demand for office and industrial space.
- 6.1.2 Analysis of development patterns and trends occurring in the Indianapolis metropolitan area, and in southwest, northeast, and east Indianapolis in particular, including types, amounts, and location of retail, service, office, commercial, and industrial activity occurring in the area.
- 6.1.3 Assess potential long-range commercial/industrial market demand for these activities in the Indianapolis metropolitan area and anticipated absorption rates.
- 6.1.4 Identify and assess the existing and planned competitive supply of commercial/industrial lands in the Indianapolis metropolitan area in terms of site, location, and access characteristics and general pricing.
- 6.1.5 Assess share of the metropolitan area commercial/industrial market activity that can reasonably be expected to be attracted to IND and its Reliever Airports over five-year, ten-year, and twenty-year time horizons based on the competitive advantages or attributes of IND and its Reliever Airports.
- 6.1.6 Assess and recommend types and timing of commercial/industrial development for each identified parcel, based on consideration of level of market demand and support for these uses, the desirability and marketability of specific parcels, and revenue potentials as may be generated by specific uses, ensuring that uses represent "highest and best uses" for each parcel. Note: This will include parcels presently owned by the IAA and other parcels that the IAA may wish to acquire in the future.

6.2 Deliverables

Results of this task will be prepared and submitted as a working draft and will present details of the market assessment of commercial, industrial, and aviation-related uses and representing the highest and best use for specific parcels at IND and its Reliever Airports. As a basis for this Market Assessment, Consultant Team will participate in the key stakeholder interviews and analysis process to gain information and insights into plans and motivations of developers, adjacent property owners, and local planning and development officials.

7.0 PRELIMINARY DEVELOPMENT PLANS

Preliminary development plans will be formulated based on results of Tasks 1 through 6. These plans will present conceptual alternatives for the reuse of IAA property. This analysis will include parcels presently owned by IAA and other parcels that IAA may wish to acquire in the future. This analysis will also reflect consideration of the types of adjacent land uses that are characteristic of the Aerotropolis concept as it may apply to IND and the surrounding area.

The Consultant Team will develop up to three (3) conceptual land use alternatives for the parcels identified, and the highest and best uses defined in Tasks 1 through 6. For each alternative, the Consultant will summarize key characteristics, as well as advantages and drawbacks, in a tabular format.

Specific land use plans will be included in alternative planning scenarios based on the considerations identified below.

7.1 Identify Market Opportunities and Constraints

The market opportunities and characteristics identified in Task 6 will be identified and related specifically to the IAA land parcels/development areas.

7.2 Identify Potential Land Uses

Land-uses most compatible with the Airport environs shall be identified. In addition, a combination of other land-uses desirable for policy reasons such as accommodation of airport vendors and tenant types, generation of jobs, economic development, etc. that may pay less than desired values but are desirable to serve development objectives and/or are required at the airport location will be investigated. These latter uses will be identified in close coordination with the Land Use Committee and the IAA. All contacts with local officials for this effort will be determined and arranged by the IAA.

7.3 Identify Airport Operational Needs

Airport operational needs will be identified from the output of Task 3. The operational needs will be divided into two categories: essential requirements and otherwise desirable services and development parameters. Essential requirements will define specific land parcels required for essential facilities and specific buffers and setbacks, as identified in previous plans or regulations.

7.4 Identify Non-Market Considerations

The Consultant Team will investigate current public policy for non-commercial considerations such as public objectives for parks, governmental facilities and utilities. An investigation will be

made of public policy pertaining to the development or redevelopment of the land under consideration, where a joint planning effort with the airport management will create benefits for all interests concerned. All contacts with local officials on issues of this type will be coordinated through the IAA.

7.5 Identify Other Development Projects

The Consultant Team will identify and describe other nearby on going, and planned development projects that might compete with or complement the IAA re-use plan. Their potential relationship with the IAA re-use project will be evaluated (i.e. supportive versus competitive, related or unrelated, dependent or independent, etc.).

7.6 Develop Land Use Scenarios

The Consultant Team will:

- Compare the matrix of options and collateral development opportunities for each parcel(s).
- Define alternative/competing uses of the same parcel(s).
- Integrate alternative/competing uses of various parcels into airport-wide composites that constitute alternative development options.

Up to three (3) conceptual land use alternatives will be developed. These scenarios will identify groups of IAA-sponsored projects and other projects which might be developed together to achieve desired synergistic effects. The potential for each project to occur will be described and the level of dependency of each project will be evaluated. Institutional opportunities or barriers for each project individually and in tandem will be discussed.

7.7 Deliverables

- 7.7.1. Land Use Plans: Up to two (2) Conceptual Land Use Plans with up to one (1) revision to each scheme. The Land Use Plans are to include the final findings of Tasks 1 through 6. Conceptual Land Use Plans are to be fully colored computer generated design exhibits based on files of the site boundary drawings. Additional scope definition for the Primary and Secondary Study Area is as follows:
- 7.7.2 Primary Study Area: A higher, more detailed and comprehensive level of analysis and design effort is to be conducted on the Primary Study. The Conceptual Land Use Plans for this area will include refined building footprint and building location indications with refined anticipated coverage. Detailed site planning with detailed building design, site access points, vehicular drives, vehicular parking, and detention pond placement is not included in this scope of work.
- 7.7.3 Secondary Study Area: A more conceptual and significantly less detailed level of analysis and design effort is to be conducted on the Secondary Study Area. The Conceptual Land Use Plans for this area will include conceptual coverage, but will not include rudimentary building footprint and location indications. Detailed site planning with detailed building design, site access points, vehicular drives, vehicular parking, and detention pond placement is not included in this scope of work.

8.0 EVALUATION OF ALTERNATIVE CONCEPTS

In this task, alternative land use concepts developed in Task 7 will be subjected to a detailed evaluation. Land use concepts will be evaluated as a whole, or with major sections, while individual parcels will not be evaluated separately. Recommended land uses will be identified and submitted to the following evaluation tasks.

The analysis will incorporate the use of a decision matrix to assist in the identification of the recommended land use plan(s). The matrix will list in the left hand column the alternative programs, including the existing conditions, while across the top row the various evaluation factors will be listed. To the extent possible, the intersection of the evaluation factors and the rows will be completed using quantitative data, which permits an easier ranking, of the concepts. Where quantitative data is not available, the evaluation will include qualitative factors.

The Consultant Team will determine the most productive commercial uses or mix of uses for the IND Primary Study Area and additional specific parcels to be identified during the project discovery and design phases. A combination of factors that will contribute to the findings will include future market demand, absorption rates, site suitability, marketability, and revenue generating potential.

8.1 Assess Traffic Impacts

Traffic generation estimates will be developed and compatibility with existing/future capacities of roadway plans, including public transportation needs.

8.2 Assess Public Service Demands

Demands for public services, including schools, churches, police, fire, and other urban services will be estimated. Additionally, a comparison of the availability of such services will be completed during this task.

8.3 Assess Utility Needs

Impacts on highways and utilities, including capacity and necessary improvements, utility relocations/provisions, and related capacity versus requirements findings will be identified including capacity of the IAA's Central Energy Plant.

8.4 Assess Aviation Compatibility

Compatibility with the airports' existing and long-range land use plans, and accommodation of these needs, both internally and external to the airport boundaries will be evaluated.

8.5 Assess Environmental Impacts

Environmental impacts of each of the alternatives will be evaluated and quantified, for input to the matrix. Key elements related to noise, air quality, water quality, and other important environmental factors will be identified.

8.6 Assess Community Compatibility

Existing land uses and land use plans will be compared to the proposed use. Incompatible uses will be identified and recorded in the evaluation matrix.

8.7 Assess FAA Requirements

Applicable FAA requirements will be researched which pertain to the use of properties including, sale vs. lease, aviation vs. non-aviation use, restrictions on use of land, disposition of proceeds and FAA review and approval. Direct contact will be established with the FAA Great Lakes Region and FAA Washington, as necessary.

8.8 Estimate Development Costs

Development costs will be estimated for the alternative land use options. Unit costs and estimated units for the area will be used to estimate total costs for the alternatives.

8.9 Estimate Revenue Potential

Revenue estimates will be estimated for each land use alternative. Industry practices with respect to fee schedules and provisions will be utilized.

8.10 Conduct Comparative Evaluation

In addition to the operational and planning criteria, detailed financial analyses for each alternative will be completed and entered into the matrix. Revenues versus expenses will be used to examine the concept of financial feasibility. Development cost and revenue potential estimates will be developed and evaluated in a financial model to ascertain cash flow, required financing, and to examine financial feasibility.

Potential benefits for each of the alternatives will be identified. The benefits not only include financial benefits, but also indirect opportunities for employment and local tax revenues. Innovative approaches will be analyzed to address the tax base, and the capital costs of producing a win-win situation with all parties.

Identification of the preferred or dominant alternative will be initiated by visual inspection of the matrix for a single, consistently dominant alternative. Quantitative and qualitative rankings will be completed, followed by a brief sensitivity analyses to identify the preferred alternative. Weighting factors will be applied to the analyses factors.

8.11 Deliverables

The output of this task will be a completed matrix, along with a narrative description of each of the evaluation factors. Narrative sections will also describe the completed matrix, and the evaluation process. The matrix and narrative description will be in sufficient detail to enhance the identification of the preferred alternative.

9.0 RECOMMENDED DEVELOPMENT PLAN

Specific recommendations will be prepared for the preferred IAA Land Use Plan to provide guidance for development, financing, land subdivision, street and general utility layout, public improvements, and environmental mitigation for the project.

9.1 Prepare Final Land Use Plan

The study team will prepare a final land use plan for the proposed development alternative. The plans package will provide guidance for development, financing, land subdivision, street and general utility layout, public improvements, and environmental mitigation for the project. Plans will be assembled in this task in a format suitable for inclusion in the final development

plans package. AutoCAD drawings developed in earlier tasks will be refined and finalized. The following works tasks are included in the development of the final Land Use Plan:

- 9.1.1 Water/Sewer: Prepare maps locating existing water and sewer utilities based on available information that is provided by the IAA and/or utility company. Provide analysis and strategy to accommodate potential impacts to the existing system from the Conceptual Land Use Plan. Recommend new conceptual water and sewer utilities to accommodate the conceptual Land Use Plan.
- 9.1.2 Storm Water Management/Drainage: Gather and review readily available information on existing storm water management systems at IND and its Reliever Airports including information from the IAA and its Storm Water Plan. Analyze potential impacts on the system created by the Conceptual Land Use Plan and provide recommendations and strategy to modify the system to accommodate the new plan. Recommend new conceptual storm water management systems, as needed, to accommodate the Conceptual Land Use Plan. Analyze options for deicing impacts on storm water management for any prospective air traffic movement areas. Analysis and recommendations will be based on general knowledge and experience and does not include in-depth engineering calculations and modeling efforts.
- 9.1.3 Electric/Gas/Telecommunications Utilities: Prepare maps locating existing main electric and gas utilities and telecommunications infrastructure near IND and its Reliever Airports. The mapping will be based on information provided by IAA along with utility and telecommunications companies. Mapping is intended to show the general location of utility mains and telecommunications infrastructure near the study area of IND and its Reliever Airports.
- 9.1.4 Site Layout and Circulation: Consultant Team will look at various sites that will become a part of the Land Use Plan, including civil engineering input into the layout of the site and the circulation into and within the site. This will include refinement of roadways and access points serving the site, parking location and requirements, and pedestrian access.

9.2 Identify Environmental Implications

The study team will assess the environmental implications and the potential environmental mitigation that may be required as a result of the proposed development plan. The study team will only assess the environmental implications of the proposed development alternative.

9.3 FAA Land Reuse Requirements

For parcels identified as suitable for reuse or disposal the Consultant Team will provide procedures and documentation necessary to obtain necessary FAA approvals, releases or waivers needed to support permit disposal.

The Consultant Team will review, and/or prepare an Amendment, to the Noise Compatibility Land Inventory and a Noise Compatibility Reuse Plan for IND which is currently under review by the FAA that conforms to FAA Program Guidance Letter ("PGL") 08-2, Management of Noise Land: Inventory – Reuse – Disposal (March 29, 2009 Update). A separate report on the use of proceeds from parcels previously disposed, to the extent such disposals occurred, will also be produced.

9.4 Financial Plan

Based on the financial data/information developed during the evaluation process in Task 8, development cost, forecast revenues, and associated projected cash flow (financial feasibility) data will be highlighted in this task in a format that describes the financial conditions surrounding the recommended development plan. Graphs, charts, pictures, and program narrative will be used to describe the financial component of the recommended plan.

9.5 Strategize Preliminary Marketing Plan

For this analysis, a preliminary outline of the Marketing Plan will be developed. Key elements of the plan including location factors (e.g., labor market, education, transportation, utilities, sights, building, inventory, and current conditions) will be identified and documented. Preliminary target groups will be identified as well as a list of relevant marketing techniques. Initial budget and schedule guidelines will also be documented.

9.6 Deliverables

9.6.1. Final Land Use Plan including a narrative and fully colored computer generated design exhibits. Additional scope definition for the Primary and Secondary Study Area is as follows:

9.6.2 Primary Study Area: A higher, more detailed and comprehensive level of analysis and design effort is to be conducted on the Primary Study. The Land Use Plan for this area will include refined building footprint and building location indications with refined anticipated coverage. Detailed site planning with detailed building design, site access points, vehicular drives, vehicular parking, and detention pond placement is not included in this scope of work.

9.6.3 Secondary Study Area: A more conceptual and significantly less detailed level of analysis and design effort is to be conducted on the Secondary Study Area. The Land Use Plan for this area will include conceptual coverage, but will not include rudimentary building footprint and location indications. Detailed site planning with detailed building design, site access points, vehicular drives, vehicular parking, and detention pond placement is not included in this scope of work.

9.6.4 Civil Work Products: Civil Work Products will consist of Consultant Team's analysis results, recommendations and strategies presented in the course of the Consultant Team's conduct of services, including written summary outlines.

10.0 STUDY PERFORMANCE REQUIREMENTS:

10.1 Monthly Progress Reports

The Consultant Team shall submit monthly progress reports to IAA and Land Use Committee. The reports shall describe significant achievements and problems, which have a potential effect on schedule or costs. The reports shall be sufficiently detailed to assure that directions being pursued are consistent with those established by the IAA.

10.2 Presentations

The Consultant Team shall provide three sets of on-site presentations. Each set of presentations shall comprise the same presentation to two different groups within the same day (one morning session and one afternoon session).

- Presentation One summarizing the preliminary results for Tasks 1, 2, 3, and 5.
- Presentation Two summarizing the preliminary results for Tasks 6, 7 and 8
- Presentation Three summarizing the final results upon completion of the work.

Task 4, Stakeholder Outreach: Intentionally omitted. To be performed under separate Consulting Contract

11.0 FINAL STUDY DELIVERABLES:

- 11.1 Monthly progress reports in Adobe Acrobat® format. Presentation of preliminary findings to IAA senior staff and Land Use Committee. Twelve (12) copies of the presentation will be provided to IAA.
- 11.2 Presentation of final findings of the Airport Property Land Use & Development Strategy, including recommendations to IAA senior staff, Land Use Committee, and IAA Board. Twenty-seven (27) copies of the presentation will be provided to IAA.
- 11.3 Completion of a draft report. Twelve (12) copies of the first draft report will be provided to IAA in addition to an electronic copy in both Microsoft Word and Adobe Acrobat® formats.
- 11.4 Completion of a final report. Twenty-seven (27) copies of the final draft report will be provided to IAA in addition to an electronic copy in both Microsoft Word and Adobe Acrobat® formats.
- 11.5 Work Product Design and Presentation Exhibits: Presentation drawings, land use plans, renderings and design exhibit graphics will be prepared using numerous methods and graphic techniques. Alternate computer programs such as Sketch Up Pro, Photoshop CS2 and others will be used in conjunction with Auto CAD. Final design exhibits shall be incorporated into the final submissions.
- 11.6 Work Product Technical Exhibits: Final Technical drawings prepared by the Consultant Team shall be developed in AutoCAD format and GIS following existing IAA standards and incorporated into the final submissions.

12.0 COMPENSATION:

Compensation for Basic Services shall be a fixed fee of \$1,300,000, which fixed fee includes reimbursable expenses. Refer to comprehensive Fee Matrix for additional breakdown of Fee and Travel expenses. Consultant Team shall invoice for services on a monthly basis for phases or portions of phases completed in the previous time period as defined below.

Task 1 Fee: \$ _____
Task 2 Fee: \$ _____
Task 3 Fee: \$ _____
Task 4 Fee: \$ _____

Task 5 Fee: \$ _____
 Task 6 Fee: \$ _____
 Task 7 Fee: \$ _____
 Task 8 Fee: \$ _____
 Task 9 Fee: \$ _____
 Task 10 Fee: \$ _____
 Task 11 Fee: \$ _____

GRAND TOTAL FIXED FEE: \$ \$1,300,000

13.0 REIMBURSABLE EXPENSES:

Reimbursable expenses are included in the fixed fees cost structure and should not be considered as additional costs. Expenses for such things as printing, plotting, renderings, postage and handling, delivery costs, and reproductions are incorporated in the fixed fee cost structure. In addition, travel expenses for Airfare, Hotel, Car Rental, and Meals are included in the Grand Total Fixed Fee.

14.0 EXCLUDED SERVICES:

14.1 The Consultant Team will not provide the services listed below:

- Architectural design of buildings and detailed site planning of individual land parcels.
- Detailed Architectural, Structural, Civil, Mechanical, Electrical, or Plumbing engineering, and Construction Documents.
- Permits or Agency fees.
- Special studies such as Traffic, Noise, or Utility.
- Hazardous materials identification, storage, or abatement.
- The findings of the Environmental Studies shall be taken into consideration and assumptions noted when designing the Land Use Plan, however confirmation and/or verification of the accuracy and/or completeness of these documents or information is excluded from the scope of work.
- Parcel maps, lot line adjustments, or Zoning changes.
- Variances or Entitlements, Legal Descriptions, or Special Planning Processes.
- Any and all other services not specifically described in this proposal.
- Soils engineering or other Geotechnical services, or any responsibility for the project's soils, subterranean water and/or subsurface conditions.
- Hazardous waste or toxic substances engineering or any responsibility concerning compliance with any federal or state environmental or pollution laws or for hazardous materials or toxic substances at the Project site.

14.2 Civil Engineering Exclusions:

- Master engineering/final engineering/permitting.
- Surveying, Platting, and Tree Survey.

- Ground contamination and remediation design and permitting.
- Geotechnical engineering.
- Engineering to address issues related to flood mapping and alterations to FEMA documents if this becomes a requirement of the project. In-depth analysis of FEMA requirements are excluded.
- Dredge/fill permitting, U.S. Army Corps of Engineers permitting.
- Comprehensive topography analysis and fill quantity estimates.
- Flood zone analysis and compensating storage analysis.

**Indianapolis Airport Authority
Airport Property Land Use & Development Strategy**

**Cost Structure
Local Company & Diversity Participation**

Appendix #4

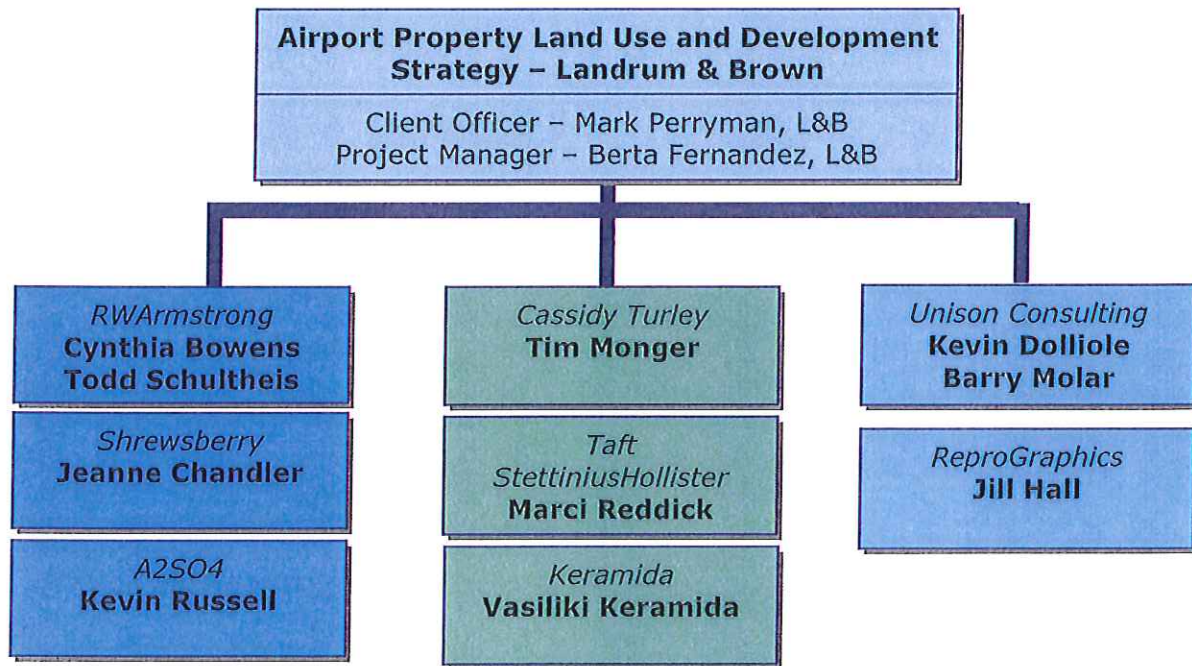
The portion of the Landrum & Brown Team cost to perform the Scope of Work for the IAA Airport Property and Land Use Development Strategy is \$1,300,000. The allocation of costs shown below reflects the share of the project cost by firm and includes local company and diversity participation.

Firm Name	Cost	Percent of Total	Percent of Total
Landrum & Brown	\$624,000.00	48%	48%
Unison Consulting	\$65,000.00	5%	5%
TOTAL LOCAL COMPANY PARTICIPATION	\$611,000.00	47%	
Local Non-MBE / WBE			
RW Armstrong	\$221,000.00	17%	
Cassidy Turley	\$130,000.00	10%	
Taft Stettinius Hollister	\$26,000.00	2%	
Subtotal	\$377,000.00	29%	29%
Local MBE			
A2SO4	\$39,000.00	3%	
Shrewsbury & Assoc	\$130,000.00	10%	
Subtotal	\$169,000.00	13%	13%
Local WBE			
Keramida	\$52,000.00	4%	
Reprographics	\$13,000.00	1%	
Subtotal	\$65,000.00	5%	5%
TOTAL MBE / WBE	\$234,000.00	13% / 5%	
TOTAL	\$1,300,000.00		100%

Note: Unison Consulting is currently in the MBE certification process with the State of Indiana. The State received Unison's application in Sept 2009; however, the application was rejected due to Unison not having particular certified paperwork from the State of Illinois. Once rectified and Unison becoming an MBE in the State of Indiana, any residual payments for Scope of Work for Unison will be applied towards MBE participation.

Consultant Team Structure & Key Staff

Appendix #5





Board Memo

To: IAA Board of Directors
From: Marsha Stone, Chief Financial Officer
Date: February 24, 2010
Board Date: March 19, 2010
Subject: Second Amendment to the Concessions Agreement with Enroute Massage & Spa, LLC

Background

Enroute Massage & Spa has owned and operated a concession providing spa services and fashion accessories at the airport since 2005. The owner has traditionally been extremely supportive of local artists and "green" initiatives.

Scope

1. This Amendment allows Enroute to include a new product category of "Local Handmade Items" to the list of products that they are allowed to sell. This category allows the spa to sell accessory items (handbags, clothing, jewelry & gifts) that are handcrafted by local area artisans.
2. This amendment also decreases the storage space that Enroute would utilize from 313 square feet to 0 square feet. The storage space has an annual fee of \$15 per square foot per year, resulting in a revenue reduction of \$4,695 annually.

Recommendation

IAA staff recommends that the Board consider for approval the Second Amendment to the Concession Agreement with Enroute Massage & Spa, LLC.



Board Memo – Plans & Specifications Approval

To: IAA Board of Directors

From: Mike Medvescek, Chief Operating Officer

Date: February 25, 2010

Board Date: March 19, 2010

Subject: Approval of Plans and Specifications for Bid Package H-09-045 - Hangar Rehabilitation, Phase III (Elevator) – Heliport, and Authorize the Public Bidding Process

Background

The existing elevator at the Downtown Heliport was put into service in 1985 to serve the four (4) floors of the building.

Due to the age of the equipment, it is not possible to get spare parts for this elevator. This has led to inconveniences for the tenants of the building when repairs are necessary. None of the electronic parts are in stock and repairs consist of rebuilding the parts each time that they fail.

The elevator does not meet current building and fire codes or Americans with Disabilities Act (ADA) accessibility guidelines. Some of the issues are:

- a) Firefighter control system requires upgrade to satisfy current code;
- b) Handrails in cab do not meet ADA guidelines;
- c) On two levels, call stations are not ADA accessible;
- d) Ground fault interrupters are missing in the pit and in the machine room;
- e) A separate power supply for cab light is missing; and
- f) Emergency lighting for cab is missing.

The project is eligible for and the Airport intends to apply for Federal funding utilizing non-primary entitlement (NPE) dollars immediately following the completion of the ramp upgrade. Under the NPE program the Heliport receives \$150,000 NPE each year which is funded by the FAA at 95%, State at 1.25%, leaving the IAA to provide 3.75% in local funds for the project.

This project was approved for implementation by the IAA Board in February 2009.

Scope

This package provides for the replacement of the Heliport terminal elevator to maintain a reliable way to get from floor to floor for tenants and users including those with disabilities.

The project will also bring the elevator system into compliance with current code.

Total package is estimated between \$100,000 and \$250,000.

Schedule

Pre-Bid Meeting: Date: April 6, 2010 Time: 10:00 a.m. Location: Program Office CR 1

Bid Opening: Date: April 22, 2010 Time: 10:00 a.m. Location: Program Office CR 1

Est. Bid Award (Board Mtg) June 18, 2010

Work is expected to start June 2010 and the substantial completion date is expected to be November 30, 2010.

Diversity Participation

The Diversity Director has conferred with the Construction Manager and they estimate the opportunities for XBE% involvement on this project to be 14% DBE, 9% MBE and 5% WBE. The XBE community will be made aware of this upcoming package in order to reach or exceed these targeted goals.

Recommendation

The IAA staff has reviewed the bid documents and recommends that the Board consider for approval Plans and Specifications for Bid Package H-09-045 - Hangar Rehabilitation, Phase III (Elevator) – Heliport as prepared by F & G Engineers, Inc. and authorize the public bidding process.



Indianapolis Airport Authority

Board Memo - Contract

To: IAA Board of Directors

From: Mike Medvescek, Chief Operating Officer

Date: February 15, 2010

Board Date: March 19, 2010

Subject: Contract Amendment with Indiana State University for Bat Monitoring and Reporting

Background

The realignment of I-70, the new interchange at Ronald Reagan Parkway, the continued development of Ameriplex, the Indianapolis International Airport facility expansion and other local development necessitated coordination among city, state, county and federal officials to address environmental impacts of these efforts. The I-70 project required an environmental investigation under federal requirements because these activities are located in Indiana bat habitat, a federally endangered species.

In 2002, an Interagency Task Force composed of the Federal Highway Administration, Indiana Department of Transportation, the Indianapolis Airport Authority, the Indianapolis Department of Public Works, the Indianapolis Department of Metropolitan Development, and the Hendricks County Board of County Commissioners applied for a permit with the US Fish and Wildlife Service under the Endangered Species Act of 1973 and submitted a plan for off-setting habitat impacts for the Indiana bat with specific actions required by the Interagency Task Force.

Because of impacts associated with current and future aviation-related development in the vicinity of Indianapolis International Airport, a Habitat Conservation Plan (HCP) was authorized under our US Fish and Wildlife Permit on May 10, 2002, addressing habitat impacts for the federally endangered Indiana bat. The program has been on-going for seven years. Bat Monitoring and Reporting requirements exist until 2017 as outlined in the Habitat Conservation Plan and the US Fish and Wildlife Permit.

Indiana State University and its staff are an internationally recognized bat research authority and perform bat monitoring and reporting activities for the IAA in support of the Habitat Conservation Plan and the permit issued by the U.S. Fish and Wildlife Service.

Indiana State University has annually conducted the Indiana bat monitoring and reporting program for the past eight (8) years in accordance with the Habitat Conservation Plan and the US Fish and Wildlife Permit. IAA prepares an Annual Report for the Habitat Conservation Plan, including a summary of the bat monitoring and reporting, and submits the information to the US Fish and Wildlife Service as required by the permit. This amendment to the original Indiana State University agreement will continue the bat monitoring and reporting for the next two years (2010 and 2011).

The project is included in the approved Capital Improvement Program for 2010 and 2011.

Scope & Budget

Bat monitoring and reporting includes mist net surveys, capture and radio tracking of bats and emergence dusk counts consistent with the Habitat Conservation Plan and Federal Fish and Wildlife Permit requirements.

The contract fee for performing these services for the past two years was \$399,512 with reimbursable expenses authorized at \$123,848 for a total of \$523,360. The contract amendment for the next two years of bat monitoring (2010 and 2011) is for \$399,512 with reimbursable expenses authorized at \$105,360 for a total of \$504,872, an overall reduction of 3.6%.

The Habitat Conservation Plan Capital Improvement Program (CIP) budget for bat and vegetation monitoring for 2010 is \$348,927 and for 2011 is \$307,006. With this amendment (and the existing Purdue University contract for vegetation monitoring), CIP expenses for 2010 will be \$329,516 (\$19,411 or 5.6% below budget) and \$271,416 (\$35,590 or 13.5% below budget).

Schedule

The term of this amendment is expected to begin April 16, 2010 and conclude April 16, 2012.

Diversity Participation

Indiana State University is a State supported university. This is an institutional research project and the diversity participation has been waived after consulting with the Diversity Director. It was concluded that there was no D/M/WBE participation available for this project.

Contract Summary to Date

Contract/Amendment & Execution Date	Service & Term	Fixed Fee Amount	Reimbursables Amount	Total Amount
Original Contract April 16, 2004	Bat Monitoring & Reporting Services Term: 4/16/04 – 4/16/06	\$398,000	\$80,000	\$478,000
Amendment 1 April 16, 2006	Bat Monitoring & Reporting Services Term: 4/16/06 – 4/16/08	\$398,000	\$80,000	\$478,000
Amendment 2 April 16, 2008	Bat Monitoring & Reporting Services Term: 4/16/08 – 4/16/10	\$399,512	\$123,848	\$523,360
Amendment 3 April 16, 2010	Bat Monitoring & Reporting Services Term: 4/16/10 – 4/16/12	\$399,512	\$105,360	\$504,872
	Revised Contract NTE	\$1,595,024	\$389,208	\$1,984,232

Recommendation

IAA staff has reviewed the proposal and recommends that the Board consider for approval an amendment to the contract with Indiana State University for bat monitoring and reporting for an additional two (2) year term in an amount not-to-exceed \$504,872. D/M/WBE 0%



Board Memo

To: IAA Board of Directors
From: Mike Medvescek, Chief Operating Officer
Date: February 24, 2010
Board Date: March 19, 2010
Subject: Rescue Vehicle Replacement

Background

The current rescue vehicle is a 1999 Freightliner that has reached the end of its useful life cycle. In the last six months the vehicle has been out of service for maintenance 20 days. Parts for the vehicle are hard to find and engine electronic issues have prevented the vehicle from traveling over 30 miles per hour on three different emergency responses, requiring the vehicle to be taken off site to an engine repair facility.

The replacement vehicle will be multifunctional and have additional firefighting capabilities including a fire pump, water tank and hose storage. Additional compartmentation allows the vehicle to carry medical supplies, extrication equipment and hazardous materials containment supplies.

The project was approved to move forward by Senior Management Staff on January 26, 2010 and has a budget of \$400,000.

Scope

This project is for the replacement of the 1999 Freightliner rescue vehicle.

Schedule

Specifications were released for bid on February 16, 2010 and bids were opened on March 9, 2010. Upon notice to proceed, the expected delivery time of the completed vehicle will be 4th quarter of 2010.

Revenue and/or Operating Cost Implications

Revenue:

There is no expected revenue from this vehicle replacement project.

Operating Costs:

Maintenance costs and down time will be reduced due to warranties.

Diversity Participation

0% MBE, 0% WBE, 0% DBE

Recommendation

IAA Staff recommends that the Board consider for approval the purchase of a Multi Purpose Rescue Vehicle replacement from Pierce Manufacturing Inc., the most responsive and responsible bidder for the bid amount of \$399,080.00.



Board Memo Public Hearing and Approval of Deed

To: IAA Board of Directors

From: Robert A. Duncan, Special Advisor to CEO

Date: February 26, 2010

Board Date: March 19, 2010

Subject: Public Hearing on Transfer of Land to Indiana Department of Transportation for I-70 Project and Approval of Quitclaim Deed.

Scope

As part of the reconstruction of Interstate I-70 south of the new terminal complex, the Airport Authority and Indiana Department of Transportation (INDOT) worked cooperatively to relocate the road and to build the ramp system to accommodate passengers and other users of the Indianapolis International Airport. The Authority and INDOT agreed to an exchange of land to ensure that INDOT retained land necessary to maintain the interstate highway and that land that was no longer needed by INDOT for this purpose would be transferred to the Authority.

The exchange of property involves approximately 515.44 acres to be transferred to INDOT for highway development and highway easements and approximately 71.772 acres to be transferred from INDOT to the Authority for habitat conservation. Since the Authority has now received the Deed of Release from the Federal Aviation Administration (FAA) for the land purchased with federal grant dollars and that Deed was accepted at the February 2010 Board meeting, a public hearing will be held at the March meeting concerning the transfer of this land to INDOT.

After the public hearing, the Board will be asked as part of its Consent Calendar to approve the quitclaim deed of the subject land to INDOT that will include all of the requirements outlined by the FAA concerning this transfer. If approved, the quitclaim deed will be recorded and INDOT will take ownership of the 515.44 acres. INDOT has already prepared the deed related to its transfer of approximately 71.772 acres to the Authority for habitat conservation purposes.

Recommendation

Consider for approval the quitclaim deed and its terms and conditions for the transfer of land between the Indianapolis Airport Authority and the Indiana Department of Transportation.