



- I. Call to Order
- II. Approval of Minutes of the Pre-Board and Regular Meeting of March 23, 2012
- III. Ordinances, Resolutions and Public Hearings
 - a) Consider for approval the withdrawal of [Ordinance 1-2012](#).
 - b) Finance & Audit Committee – *Jean Wojtowicz, Committee Chair*
 - i. Consider for approval the adoption of [Resolution No. 1-2012](#) amending and replacing the existing Investment Policy effective July 1, 2012.
 - c) Consider for approval the adoption of [Resolution No. 2-2012](#) and the Building Lease Agreement with ET Energy Solutions, LLC.
 - d) Consider for approval the adoption of [Resolution No. 3-2012](#) and Third Amendment to Lease Agreement with Cargolux Airlines International S.A.
- IV. Board Reports
 - a) President's Report
 - b) Finance and Audit Committee Report – Jean Wojtowicz
 - i. [BP2012-04-1](#) - Consider for approval the Independent Accountant's Report and Financial Statements of the Indianapolis Airport Authority for the years ending December 31, 2011 and 2010 as reviewed and recommended
- V. Official Actions
 - a) [BP2012-04-2](#) - Consider for approval 2012 IAA Staff travel plans for the remainder of 2012.
 - b) Introduction of the IAA Consent Calendar dated April 20, 2012.
 - c) Consider for approval each of the individual items listed on the IAA Consent Calendar Agenda dated April 20, 2012.



VI. Staff Reports

- a) Interim, Executive Director Report – Robert “Bob” Duncan
- b) Financial Report – Marsha Stone
- c) Supplier Diversity – Corey Wilson

VII. Other Reports/Update

VIII. Board Communications

- a) *Next Meeting: Friday, May 18, 2012 @ 8:30 a.m.*

IX. Adjourn

MONTH/YEAR	OTHER PARTY	TYPE OF DOCUMENT	TERM (YEARS)	REVENUE	INITIALS	COMMENTS
Feb-12	Signature Flight	Consent to Sublease	No change	No change	J. Clark	Standard consent to a sublease.
Feb-12	AZSO4 Architecture	Contract for Repairs	10 months	N/A	J. Clark	For repairs to the roof of the IMC hanger 7A; not to exceed \$30,800
Feb-12	Velocity Sports & Entertainment	Letter of Agreement	2 weeks	\$2,000.00	J. Clark	For display of VISA/NFL items at the terminal
Feb-12	Anheuser-Busch	Short Term Use Agreement	2 weeks	\$3,200.00	J. Clark	For display of promotional graphics on civic plaza tables
Feb-12	John Force Racing	Short Term Use Agreement	2 weeks	\$6,000.00	J. Clark	For the display of funny cars
Feb-12	Federal Express Corporation	Amendment No. 5 to Lease Agreement	No change	Annual rental of \$103,543.00	J. Clark	For leasing additional land for apron expansion project which was completed in Nov. 2011.
Feb-12	Physio Control	Agreement	1 year	N/A	M. Medvescek	For EMS equipment used by Airport Fire Dept; cost \$18,376.
Feb-12	Konecranes	Annual Inspection Agreement	1 year	N/A	J. Clark	For preventive maintenance in the amount of \$410.
Feb-12	MB Consulting, LLC	Professional Services Agreement	10 months	N/A	M. Medvescek	For support of IAA's CIP project and other initiatives in amount of \$76,500.
Feb-12	Comlux America LLC	Equipment Lease	1 year	N/A	J. Clark	For lease of aircraft access stand in amount of \$2,100.
Feb-12	Diebold, Inc.	Contract Renewal #2	3 years	N/A	J. Clark	For badging supplies at IAA
Feb-12	Hat World, Inc.	Amendment #1	3 years	MAG is \$145,000	J. Clark	For additional leased premises for the Lids Store
Feb-12	Kone	Contract for Repairs	5 months	N/A	J. Clark	For repairs to the escalators, elevators & moving walkways caused by Canopy Collapse
Feb-12	Clear Channel Outdoor, Inc.	First Amendment to Lease Agreement	No change	No change	J. Clark	Added updated site plan & legal
Feb-12	Jacobi, Toombs & Lanz, Inc.	Professional Services Agreement	10 months	N/A	J. Clark	For rehabilitation of runway 3-21, tug road, and fire department access road at Eagle Creek

Feb-12	YMCA of Greater Indianapolis	Corporate Group Membership	1 year	N/A	J. Clark	IAA pays \$599 annual fee so that all IAA employees may join w/o paying a membership fee; this is part of IAA's wellness program.
Feb-12	Relay at IND, LLC	Concessionaire Agreement	4 years	MAG is \$175,000	J. Clark	For leased premises for sale of books & gifts

MINUTES
Board of Directors Meeting
Indianapolis Airport Authority

The Regular Meeting of the Indianapolis Airport Authority Board was called to order at 8:55a.m., March 23, 2012, in the Airport's Board Room at the Indianapolis International Airport.

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

Michael W. Wells, President
Alfred Bennett, Secretary
Jean Wojtowicz, Member
Alex M. Azar II, Member
Steve Dillinger, Member
Jack Morton, Member
Lynn Gordon, Member

Rex Joseph, IAA Board Counsel

IAA executive staff attending:

Robert A. Duncan, Interim Executive Director/CEO
Marsha Stone, Chief Financial Officer
Joseph Heerens, Chief Legal Officer
Mike Medvescek, Chief Operating Officer
Al Stanley, Chief Information Officer
Patzetta Trice, Chief Communications and Marketing Officer
Beverly Terlaje, Executive Assistant/Recording Secretary
Jamie Leap, Executive Assistant

APPROVAL OF MINUTES

Upon a motion by Mr. Azar, seconded by Ms. Wojtowicz and unanimously passed, approval was given to the Minutes of both the Pre-Board and Regular Meetings of February 17, 2012.

ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS

President Wells introduced General Ordinance No. 1-2012, a Supplemental Ordinance of the Indianapolis Airport Authority concerning the Authority's issuance of additional Revenue Bonds designated "INDIANAPOLIS AIRPORT AUTHORITY REFUNDING REVENUE BONDS, SERIES 2012A" to refund a portion of the Authority's outstanding

bonds and other matters related thereto. A public hearing on General Ordinance No. 1-2012 is scheduled to occur on April 20, 2012.

BOARD REPORTS

President's Report

President Wells had no report.

OFFICIAL ACTIONS

President Wells announced that Board Item BP2012-03-1 pertaining to a professional service agreement with Reynolds, Smith & Hill, Inc. for Indianapolis International Airport Master Plan will be moved to the April 20, 2012 board meeting.

STAFF REPORTS

CEO Report

Mr. Robert Duncan, IAA's Interim Executive Director/CEO, indicated that he is in the process of getting up-to-date on the IAA's programs, initiatives and other developments that have occurred since he retired nine (9) months ago. He intends to focus on the basics of running the Airport, as well as safety, security, air service development (both passenger and cargo), staff development, and economic development.

Financial Report

Ms. Marsha Stone, IAA's Chief Financial Officer, provided a brief report with respect to enplanements, as well as a brief financial report. She also reported that the IAA recently received several awards at the 2012 Airport Revenue Conference for: (1) Overall Best Concessions Program in North America; and (2) Overall Best Concessions Management & Design Team in North America. Ms. Stone publicly recognized IAA employees Mark Hedegard, Jeremiah Wise, Archie Carper, and Pam Aiken, who constitute the IAA's retail team.

Other Reports/Update

President Wells reported that the IAA recently filed a lawsuit challenging the decision by the Metropolitan Development Commission in the Ameriplex parking dispute. He also indicated that Ms. Pat Andrews, Chair of the Land Use Committee of the Decatur Township Civic Council, had recently requested, and was being granted, five minutes to address the IAA's board on that subject.

Ms. Andrews indicated that the Decatur Township Civic Council is opposed to the IAA's lawsuit, which it believes is not in the best interests of Decatur Township. She provided a brief explanation and also requested that the IAA withdraw its lawsuit.

President Wells also reported that a "Separation Agreement" had been reached with former IAA Executive Director/CEO Mr. John Clark, and the IAA's Board had authorized Mr. Wells to sign that agreement. The terms of the agreement include that Mr. Clark will receive one (1) year of severance pay, plus any unused vacation and personal days.

President Wells wished Mr. Clark the very best, and expressed appreciation for the accomplishments that occurred during his tenure. He further stated that tremendous change has occurred in recent years, including the opening of the new terminal and the transition of the management of the Airport System from BAA back to IAA. Mr. Wells indicated that the Indianapolis International Airport is one of the finest in the country and must continue to excel and take steps to increase passenger and cargo service.

ADJOURNMENT

There being no further business, the meeting was adjourned at 9:10 a.m.

INDIANAPOLIS AIRPORT AUTHORITY*

Michael W. Wells, President

Alfred R. Bennett, Secretary

Date: _____

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



Indianapolis Airport Authority

[General Ordinance No. 1-2012](#)

BOARD MEMO

To: IAA Board of Directors

From: Marsha Stone, Chief Financial Officer

Date: April 13, 2012

Board Date: April 20, 2012

Subject: Withdrawal of General Ordinance No. 1-2012

On March 23rd, the Board introduced General Ordinance No. 1-2012 (the "Ordinance"), a supplemental ordinance authorizing the Airport Authority to issue Airport Revenue Bonds, Series 2012, in an amount not to exceed \$100 million. On April 3, 2012, the IAA staff updated the Authority's Finance and Audit Committee ("FAC") on the status of the potential refunding. As a result of several factors, including a rise in interest rates and the desire of the Authority to reduce its outstanding debt, the Authority staff and the Authority's financial advisor, Jeffries & Company, recommended utilizing \$20 million of Authority cash to retire a portion of the Authority's currently callable 2003A bonds and to withdraw Ordinance 1-2012. FAC agreed with staff's recommendation to withdraw Ordinance 1-2012.

The Authority staff is recommending the withdrawal of Ordinance 1-2012 for consideration.



Board Memo
Investment Policy

To: IAA Board of Directors
From: Jean Wojtowicz, Finance Committee
Date: April 13, 2012
Board Date: April 20, 2012
Subject: IAA Investment Policy - Amendment

Background

On September 18, 2009, the IAA Board adopted Resolution 12-2009, an investment policy that detailed the Authority's permitted investments. These investments are consistent with Indiana Code 5-13-9. On June 18, 2010, the IAA Board adopted Resolution 10-2010, an amended investment policy as a result of an annual review of the policy and the passage of HEA1336 which modified permitted investments under IC 5-13-9. On April 15, 2011, the IAA Board adopted Resolution 8-2011, an amended investment policy as a result of an annual review of the policy.

As part of an ongoing review of the Authority's investment policy and the passage of HEA191, the following two changes have been recommended by the IAA Treasurer:

- (1) the Authority's policy currently specifies that the Authority may invest in securities with a maximum maturity of two (2) years. Because of changes in statute, the Authority is allowed to invest up to twenty-five percent (25%) of its funds in securities with a final maturity of greater than two (2) years but not greater than five (5) years. This amendment would permit the Authority to invest its funds pursuant to this statutory change.
- (2) The Authority's current policy does not have an expiration date. HEA191 requires the Authority to have an expiration date of its investment policy that is not in excess of four (4) years in order to invest in securities with a final maturity greater than two (2) years. This amendment establishes an expiration date of December 31, 2015.

Current Status

As part of the annual review of the investment policy and at the recommendation of the IAA Treasurer, the Finance and Audit Committee recommends the adoption of Resolution __-2012, which would result in the following changes:

- (1) the ability of the IAA to invest not more than twenty-five percent (25%) of its funds in securities with a final maturity of greater than two (2) years but not greater than five (5) years,
- (2) the establishment of an expiration date of the policy.

These changes will provide for the ability to (1) increase its expected interest earnings and (2) better diversify the Authority's investment portfolio.

Recommendation

The Finance and Audit Committee recommends that the Board adopt Resolution No. 1-2012 amending and replacing the existing Investment Policy effective July 1, 2012.

RESOLUTION NO. 1-2012
INDIANAPOLIS AIRPORT AUTHORITY INVESTMENT POLICY

WHEREAS, the Indianapolis Airport Authority ("Authority") is authorized to appoint a Treasurer under Indiana Code section 8-22-3-20; and

WHEREAS, Indiana Code section 8-22-3-20 directs the Treasurer to deposit money in accordance with Indiana Code chapter 5-13-6 and allows investments in accordance with Indiana Code chapter 5-13-9; and

WHEREAS, the Authority desires to have deposits invested according to an investment policy that will be managed by the Treasurer; and

WHEREAS, the Authority is authorized to employ a treasurer under Indiana Code section 8-22-3-20, who shall have all the duties, powers, and responsibilities described therein and in the New Policy (hereinafter defined); and

WHEREAS, the Authority previously adopted Resolution No. 8-2011 on April 15, 2011, which adopted the Indianapolis Airport Authority Investment Policy ("Original Policy"); and

WHEREAS, the Authority desires to replace the Original Policy with an amended and restated investment policy to reflect changes recommended by the Authority's Finance and Audit Committee;

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

(1) Adopt the new Indianapolis Airport Authority Investment Policy ("New Policy"), dated April 20, 2012, which is attached hereto as "Attachment I" and incorporated herein by reference.

APPROVED this 20th day of April, 2012, at the regularly convened meeting of the Board of Directors of the Indianapolis Airport Authority.

INDIANAPOLIS AIRPORT AUTHORITY*

By: _____
Michael W. Wells, President

Attest: _____
Alfred R. Bennett, Secretary

*Signed under authority of IAA Board Resolution 10-2009

CERTIFICATE OF AUTHENTICITY

I, Alfred R. Bennett, Secretary of the Indianapolis Airport Authority Board of Directors, hereby certify that the foregoing is a true and correct copy of Resolution No. 1-2012 adopted by the Indianapolis Airport Authority Board on the 20th day of April, 2012.

Alfred R. Bennett, Secretary

Indianapolis Airport Authority

Investment Policy

1.0 Policy:

It is the policy of the Indianapolis Airport Authority (“Authority”) to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Authority and conforming to all state/local statutes governing the investment of public funds. In general, Authority investments must comply with IC 5-13-9 and Indiana Statute overrides any conflicting information in this policy.

2.0 Scope:

This Investment Policy Statement applies to the investment of all public funds by the Treasurer of the Authority or any designated representative thereof. These funds are accounted for in the Authority Comprehensive Annual Financial Report and include:

1. Unrestricted balances
2. Restricted balances

3.0 Prudence:

Investments shall be made with judgment and care—under circumstances then prevailing—which persons of prudence, discretion and intelligence acting in a similar capacity exercise in the management of funds for a similar type organization.

4.0 Objective:

The primary objectives, in priority order, of the Authority investment activities shall be:

1. Preservation of assets
2. Liquidity
3. Yield

4.1 Safety: Safety of principal is the foremost objective of the investment program. Investments of the Authority shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

4.2 Liquidity: The Authority investment portfolio will remain sufficiently liquid to enable the Authority to meet all operating requirements which might be reasonably anticipated.

4.3 Return on Investments: The Authority investment portfolio shall be designed with the objective of attaining a rate of return throughout budgetary and economic cycles, commensurate with the Authority investment risk constraints and the cash flow characteristics of the portfolio.

5.0 Delegation of Authority:

The Authority shall manage the Authority's investments per IC 8-22-3-20 and IC 5-13-9. Management shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials, including those identified below.

Responsibility for the investment program is hereby delegated to:

1. Authority Board-Appointed Treasurer
2. Authority Board-Appointed Assistant Treasurer

6.0 Ethics and Conflicts of Interest:

The Authority's officers and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

7.0 Authorized Financial Dealers and Institutions:

No public deposit shall be made except in a qualified public depository as established by state laws. The Treasurer will maintain a list of such qualified institutions.

Prior to making an initial deposit with a qualified institution, the Treasurer will obtain the institution's most recent Tier 1 risked-base capital ratio report. The Authority will not make an initial deposit with an institution whose Tier 1 risked-based capital ratio is less than 6%.

The Treasurer also will maintain a list of financial institutions authorized to provide investment services and a list of approved security broker/dealers selected by credit worthiness who are authorized to provide investment services in the State of Indiana. These may include primary dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule). All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Treasurer with the following: proof of National Association of Security Dealers certification, proof of state registration, and certification of having read entity's investment policy and depository contracts.

An annual review of qualified firms will be conducted by the Treasurer. A current audited financial statement is required to be on file for each financial institution and broker/dealer with which the Authority invests funds. The Treasurer will obtain Tier 1 risk-based capital ratio reports from all depositories with whom the Authority has deposits no less than quarterly. The Treasurer will report to the Authority's Finance and Audit Committee if any institution's ratio falls below 6%.

8.0 Authorized & Suitable Investments:
The Authority is empowered by statute to enter into the following types of investments per IC 5-13-9.

8.1 Securities: The Authority is empowered by statute to invest funds per IC 5-13-9 in the following types of securities:

(1) Securities backed by the full faith and credit of the United States Treasury or fully guaranteed by the United States and issued by any of the following:

- (A) The United States Treasury.
- (B) A federal agency.
- (C) A federal instrumentality.
- (D) A federal government sponsored enterprise.

(2) Securities fully guaranteed and issued by any of the following:

- (A) A federal agency.
- (B) A federal instrumentality.
- (C) A federal government sponsored enterprise.
- (D) International Bank for Reconstruction and Redevelopment.
- (E) African Development Bank.

(3) Investments commonly known as money market mutual funds that are in the form of securities of or interests in an open-end, no-load, management-type investment company or investment trust registered under the provisions of the federal Investment Company Act of 1940, as amended (15 U.S.C. 80a et seq.).

- (A) Such investments may not exceed fifty percent (50%) of the funds held by the Authority and available for investment.
- (B) Such investments shall be made through depositories designated by the State Board of Depositories as depositories for state deposits under IC 5-13-9.5.
- (C) The portfolio of such investments must be limited to the following:

- (1) Direct obligations of the United States.
- (2) Obligations issued by any of the following:
 - (a) A federal agency.
 - (b) A federal instrumentality.
 - (c) A federal government sponsored enterprise.
- (3) Repurchase agreements fully collateralized by obligations described in subdivision (1) or (2).

(D) the form of securities in such investments must be rated either:

(1) AAAM, or its equivalent, by Standard and Poor's Corporation or its successor.

(2) Aaa, or its equivalent, by Moody's Investors Service, Inc. or its successor.

(4) Funds may be invested in deposit accounts offered by a designated depository approved by the State Board of Depositories, or fully collateralized repurchase or resale agreements with such approved depositories. (IC 5-13-4-7)

(5) Municipal securities issued by an Indiana local governmental entity, a quasi-governmental entity related to the state, or a unit of government, municipal corporation, or special taxing district in Indiana, if the issuer has not defaulted on any of the issuer's obligations within the twenty (20) years preceding the date of the purchase.

8.2(a) Certificates of Deposit: Per IC 5-13-9-4, the investing officer making a deposit in a certificate of deposit shall obtain quotes of the specific rates of interest for the term of that certificate of deposit that each designated depository (any financial institution designated by the State Board of Depositories as depositories for state funds per IC 5-13-9.5) will pay on the certificate of deposit. Quotes may be solicited and taken by telephone. A memorandum of all quotes solicited and taken shall be retained by the investing officer as a public record of the political subdivision under IC 5-14-3. A deposit made under this subsection shall be placed in the designated depository quoting the highest rate of interest. If more than one (1) depository submits a quote of the highest interest rate quoted for the investment, the deposit may be placed in any or all of the designated depositories quoting the highest rate in the amount or amounts determined by the investing officer, in the investing officer's discretion.

If all of the designated depositories of a political subdivision decline to issue or receive any deposit account, or to issue or receive the deposit account at a rate of interest equal to the highest rate being offered other investors, investments may be made in the deposit accounts of any financial institution designated for state deposits as a depository by the State Board of Depositories under IC 5-13-9.5.

8.2(b) Syndicated Certificates of Deposit: Per IC 5-13-9-5.3, the investing officer may invest funds in a syndicated certificate of deposit if (1) the investing officer initially invests funds with an approved depository, (2) the depository arranges for deposit of the funds in one or more federally insured financial institutions, (3) the full amount of funds on deposit with each financial institution is insured by a federal deposit insurance agency, (4) the depository acts as

custodian of the funds, and (5) the depository receives an amount of insured deposits at least equal to the amount of funds invested by the investing officer.

8.3 Repurchase Agreements: Repurchase agreements, including standing repurchase agreements, commonly known as sweep accounts, must be with depositories designated by the State Board of Depositories as depositories for state funds per IC 5-13-9.5. A repurchase agreement may only be for securities which are issued or fully insured or guaranteed by the United States, a United States government agency, an instrumentality of the United States, or a federal sponsored enterprise. The depository shall determine daily that the repurchase agreements are fully collateralized base on the market value of securities, and the depository shall deliver additional securities to make the agreement collateralized to the required level. .

8.4 Forward Purchase Agreements: The Authority may enter into agreements to purchase securities at a fixed rate or indexed rate over a contractual period not to exceed (30) thirty-years, forward purchase agreements ("FPAs"). The Authority may only agree to receive securities specified in sections 8.1(1) and 8.1(2) of this policy under an FPA. Such securities must mature no later than five (5) years after the delivery date of said securities to the Authority.

8.5 Securities Lending: The Authority is authorized by IC 5-13-9-3.5(c) to lend securities provided that such an agreement is collateralized by either cash or interest bearing obligations that are issued by, fully insured by, or guaranteed by the United States, an agency of the United States government, a federal instrumentality, or a federal government sponsored enterprise in excess of the total market value of the loaned securities. Notwithstanding section 8.5, the Treasurer shall notify the Authority's Finance and Audit Committee (as established by the Authority Board) prior to engaging in any securities lending.

8.6 Joint Investment Funds and Investment Pools: The Authority may invest in a joint investment fund with one or more political subdivisions located within the county by entering into a written master agreement that defines the rights and obligations of the participating political subdivisions per IC 5-13-9-10. The Authority must have the investing officer serve on the administering board of the fund. The administrator of the investment fund must be registered as an investment adviser with the United States Securities and Exchange Commission under the Investment Advisers Act of 1940, as amended (15 U.S.C. 80a-9 et seq.), with public funds under management in the amount of at least one hundred million dollars (\$100,000,000).

The Authority may invest in a local government investment pool established within the office of the treasurer of state per IC 5-13-9-11 and administered by the treasurer of state or another local government investment pool established under IC 36-1-7.

8.7 Other Investments: The Authority is authorized to make any other investment permitted by IC 5-13-9. Notwithstanding section 8.7, the Treasurer shall notify the Authority's Finance and Audit Committee prior to investing in any investment not specifically allowed in sections 8.1, 8.2, 8.3, 8.4, or 8.6.

9.0 Safekeeping and Custody:

All security transactions, including collateral for repurchase agreements, entered into by the Authority shall be conducted either (1) on a delivery-versus-payment (DVP) basis or (2) on a cash basis with an approved broker-dealer. Securities purchased on a DVP basis will be held by a third party custodian designated by the Treasurer and evidenced by a monthly statement. Securities purchased on a cash basis will be held in a safekeeping account with the approved broker-dealer and evidenced by a monthly statement.

10.0 Diversification:

Maturities shall be time diversified over a schedule determined by known liabilities and/or to achieve a target duration or weighted average maturity for the portfolio based on the judgment of the Treasurer.

The Authority may invest available deposits subject to the following restrictions:

	<i>Percent of Portfolio Eligible</i>
<i>Security</i>	
Deposit Accounts	100%
U.S. Treasuries	100%
Government Agencies	100%
Government Sponsored Enterprises	100%
Money Market Mutual Funds	50%
Certificates of Deposit	25%
Repurchase Agreements	100%
Forward Purchase Agreements	50%
Investment Pools	25%
Municipal Securities	100%
<i>No more than 15% in a single issuer</i>	
<i>No more than 5% aggregatedly with:</i>	
<i>(1) issuers that are unrated or</i>	
<i>(2) issuers that are rated below investment grade</i>	

11.0 Maximum Maturities:

To the extent possible, the Authority will attempt to match its investments with anticipated cash flow requirements. The Authority will not directly invest in securities maturing more than five (5) years from the date of purchase per IC 5-13-9-5.6 and IC 5-13-9-5.7. However, no more than twenty-five percent (25%) of the Authority's funds shall be invested in securities that mature more than two years from the date of purchase.

12.0 Reporting and Record Keeping:

The Treasurer or the highest ranking Authority staff person acting in a Treasury capacity shall provide quarterly investment reports which provide a clear picture of the status of the current investment portfolio. The management report should include investment performance, comments on the fixed income markets and economic conditions, compliance issues, possible changes in the portfolio structure and thoughts on investment strategies.

Schedules in the quarterly report should include the following:

1. A listing of individual securities held at the end of the reporting period
2. Average life and final maturity of all investments
3. Coupon, discount or earnings rate
4. Par value, Amortized Book Value and Market Value
5. Percentage of the Portfolio represented by each investment category

The Authority shall keep thorough records of all investment activity, including monthly interest reports, trade data, and account statements and maintain such records in accordance with Indiana records retention requirements.

The Treasurer shall submit an annual investment report to the Marion County Board of Finance per IC 5-13-7-7.

13.0 Definitions

Government Agency is an institution established by and controlled by the Federal Government of the United States. Examples of an agencies are: the Tennessee Valley Authority, Government National Mortgage Association (Ginnie Mae), Small Business Administration, and United States Agency for International Development.

Government Instrumentality is, for purposes of this policy, the same as a Government Sponsored Enterprise.

Government Sponsored Enterprise is a privately held corporation with public purposes created by the U.S. Congress to reduce the cost of capital for certain borrowing sectors of the economy. Examples of GSEs for purposes of this policy include: Federal Home Loan Bank, Federal Home Loan Mortgage Corporation (Freddie Mac), Federal National Mortgage Association (Fannie Mae), Federal Agricultural Mortgage Corporation (Farmer Mac), Federal Farm Credit Bank, and the Resolution Funding Corporation.

14.0 Expiration of Policy:

This policy shall have an initial expiration of December 31, 2015. The Board may extend this policy for a term not exceeding four years from the date of adoption.

This Investment Policy for the Indianapolis Airport Authority has been approved by the Authority's Board of Directors and is effective as of the 1st of July 2012.

Signed: _____

Jeremiah Wise, Treasurer



Board Memo – ET Energy Solutions LLC
Building Lease Agreement

To: IAA Board of Directors
From: Marsha Stone, Chief Financial Officer
Date: March 22, 2012
Board Date: April 20, 2012
Subject: ET Energy Solutions LLC IMC Building Lease Agreement

Background

In 2011, ET Energy Solutions, LLC was selected by the IAA to develop a solar farm on Indianapolis International Airport property. The company is a joint venture (JV) between three locally based firms: Johnson-Mellon Solutions and Telamon Corporation.

ET Energy Solutions will finance, design, construct and operate the facility on land leased from the IAA.

The 11.5 MW solar farm will be one of the largest airport-based solar farms in North America and is expected to become operational in late 2012. The facility will include more than 41,000 solar panels, each capable of producing 280 watts at peak power production. The panels will be installed on ground-mounted racking systems that will fill nearly 60 acres of land near the Airport exit from I-70.

Scope

IAA Board adoption of Resolution 2-2012, authorizing the execution of Building Lease Agreement with ET Energy Solutions, LLC.

The IAA Staff requests the IAA Board execute a month-to-month Building Lease Agreement with ET Energy Solutions, LLC to allow the storage of ET Energy Solution's initial order of 5,000 solar panels.

Schedule

March 1, 2012	ET Energy Solutions, LLC begins its use of storage area to secure its initial order of solar panels
April 20, 2012	IAA executes ET Energy Solutions' Building Lease Agreement

Revenue and/or Operating Cost Implications

Revenue:

Revenue for 4,200 square feet @ \$5.50 per square foot is \$23,100 per annum; however, the expectation is the tenant will only need the premises until the end of July.

Operating Costs:

The IAA has no initial costs associated with ET Energy Solutions, LLC for occupancy of the leased space generally referred to as the “supply building” at the IMC. Future IAA costs associated with the leased space include common use maintenance items and utility costs. The IAA will expend approximately \$1,200 per annum in direct support costs.

Supplier Diversity Participation

Not applicable, however; Telamon Corporation, a Minority Business Enterprise, is 50 percent owner of the JV.

Recommendation

The IAA Staff recommends the IAA Board consider for approval Resolution 2-2012 and the Building Lease Agreement with ET Energy Solutions, LLC.

RESOLUTION 2-2012
RESOLUTION OF THE
INDIANAPOLIS AIRPORT AUTHORITY
APPROVING EXECUTION OF LEASE AT IMC

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

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

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

WHEREAS, IAA Staff has reported to the members of the Board of the Authority on the progress of efforts to work with the IMC tenants to fill the space at the IMC; and

WHEREAS, the Authority has come to agreement on the terms to lease a portion of the Supply Building at the IMC to ET Energy Solutions, LLC; and

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

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

1. The Authority makes the following findings of fact:
 - (A) The market for aircraft maintenance facilities like the IMC is depressed by general economic conditions and changes in the airline industry.

- (B) The IMC is the largest aircraft maintenance facility available for rental in the market.
 - (C) The IMC, while one of the most advanced, state-of-the-art facilities, is more expensive to operate than most comparable facilities.
 - (D) The Authority, with the assistance of its consultants, as well as representatives of the City of Indianapolis and the State of Indiana, has continued to work to increase revenues at the IMC.
 - (E) The restrictions on the use of the IMC, due to the financing of the IMC with proceeds of the Bonds and other tax-exempt bonds issued by the City and the State, are restrictions, which reduce the prospects for reuse of significant portions of the IMC.
 - (F) The Lease does not include any commitments from ET Energy Solutions, LLC for job creation or other concessions.
 - (G) The Authority has determined that the execution of the Lease for a portion of the Supply Building will allow ET Energy Solutions, LLC to stage materials for the construction of a 10MW solar farm on Authority property.
2. Based upon the above findings of fact, the Authority hereby finds the following:
- (A) The Authority has used reasonable efforts to relet the IMC for rentals equal to the full rental due from United Airlines and with terms and provisions substantially similar to those contained in the Lease with United Airlines, but the Authority has found no tenant who is willing to lease the entire IMC, who is willing and able to pay the full rental paid by United and who is willing to pay the full operating cost of IMC; therefore, the Authority hereby finds that no United-like lease can be executed.
 - (B) The Authority has used its reasonable efforts to negotiate for the best available lease terms for generating projected total net rentals in light of then-prevailing market conditions and without materially reducing the expected total rentals over the term of the Lease in return for commitments from tenants for job creation or other concessions.
 - (C) The Authority has determined that proceeding with leasing a portion of the Supply Building is a far superior option compared to continuing to fund certain operating expenses and will ensure maintenance responsibilities and services; along with

environmental regulatory requirements are met by ET Energy Solutions, LLC.

3. It is hereby found the execution of the Lease for a portion of the Supply Building, as presented to this meeting, complies with the essential and governmental purposes and provisions of the Act and would be in the best interests of the Authority, the holders of the Bonds and the community of Indianapolis and Marion County.
4. The Authority hereby authorizes and directs the President and the Secretary or the Assistant Secretary of the Authority to execute all collateral documents required for execution of the Lease on behalf of the Authority.
5. If any provision of this Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability thereof shall not affect any of the remaining provisions of this resolution.
6. This Resolution shall take effect immediately upon passage.

Remainder of page intentionally left blank.

Adopted this _____ day of _____, 2012.

INDIANAPOLIS AIRPORT AUTHORITY*

Michael W. Wells, 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 Resolution 2-2012 adopted by the Indianapolis Airport Authority Board on the _____ day of _____, 2012.

Alfred R. Bennett, Secretary
INDIANAPOLIS AIRPORT AUTHORITY



Board Memo
Third Amendment to Lease Agreement

To: IAA Board of Directors
From: Marsha Stone, Chief Financial Officer
Date: March 27, 2012
Board Date: April 20, 2012
Subject: Third Amendment to Lease Agreement with Cargolux Airlines International S.A.

Background

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

Scope

IAA Board adoption of Resolution No. 3-2012, authorizing the execution of Third Amendment to Lease Agreement with Cargolux Airlines International S.A.

The IAA Staff requests the IAA Board execute the Third Amendment to Lease Agreement with Cargolux Airlines International S.A. to continue their occupancy for office space at the IMC. This Amendment is retroactive to February 1, 2012 and terminates on January 31, 2013. Cargolux will have two (2) additional option renewal periods of one (1) year each.

Schedule

April 20, 2012: Execution of Third Amendment to Lease Agreement with Cargolux Airlines International S.A.

Revenue and/or Operating Cost Implications

Revenue:

Revenue for 930 square feet @ \$5.50 per square foot is \$5,115 per annum.

Operating Costs:

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

Supplier Diversity Participation

Not applicable.

Recommendation

The IAA Staff recommends the Board consider for approval Resolution 3-2012 and Third Amendment to Lease Agreement with Cargolux Airlines International S.A.

RESOLUTION 3-2012

RESOLUTION OF THE
INDIANAPOLIS AIRPORT AUTHORITY
APPROVING EXECUTION OF LEASE AMENDMENT AT IMC

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

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

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

WHEREAS, IAA Staff has reported to the members of the Board of the Authority on the progress of efforts to work with the IMC tenants to fill the space at the IMC; and

WHEREAS, the Authority has come to agreement on the terms of a Lease Amendment for a portion of office space at the IMC with Cargolux Airlines International S.A.; and

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

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

1. The Authority makes the following findings of fact:
 - (A) The market for aircraft maintenance facilities like the IMC is depressed by general economic conditions and changes in the airline industry.

- (B) The IMC is the largest aircraft maintenance facility available for rental in the market.
- (C) The IMC, while one of the most advanced, state-of-the-art facilities, is more expensive to operate than most comparable facilities.
- (D) The Authority, with the assistance of its consultants, as well as representatives of the City of Indianapolis and the State of Indiana, has continued to work to increase revenues at the IMC.
- (E) The restrictions on the use of the IMC, due to the financing of the IMC with proceeds of the Bonds and other tax-exempt bonds issued by the City and the State, are restrictions, which reduce the prospects for reuse of significant portions of the IMC.
- (F) The Lease does not include any commitments from Cargolux Airlines International S.A. for job creation or other concessions.
- (G) The Authority has determined that the execution of the Lease Amendment for a portion of office space at the IMC will allow Cargolux Airlines International S.A. the office space for administrative support and flight crews.

2. Based upon the above findings of fact, the Authority hereby finds the following:

- (A) The Authority has used reasonable efforts to relet the IMC for rentals equal to the full rental due from United Airlines and with terms and provisions substantially similar to those contained in the Lease with United Airlines, but the Authority has found no tenant who is willing to lease the entire IMC, who is willing and able to pay the full rental paid by United and who is willing to pay the full operating cost of IMC; therefore, the Authority hereby finds that no United-like lease can be executed.
- (B) The Authority has used its reasonable efforts to negotiate for the best available lease terms for generating projected total net rentals in light of then-prevailing market conditions and without materially reducing the expected total rentals over the term of the Lease in return for commitments from tenants for job creation or other concessions.
- (C) The Authority has determined that proceeding with leasing a portion of the Supply Building is a far superior option compared to continuing to fund certain operating expenses and will ensure maintenance responsibilities and services; along with

environmental regulatory requirements are met by Cargolux Airlines International S.A.

3. It is hereby found the execution of the Lease Amendment for a portion of office space at the IMC, as presented to this meeting, complies with the essential and governmental purposes and provisions of the Act and would be in the best interests of the Authority, the holders of the Bonds and the community of Indianapolis and Marion County.
4. The Authority hereby authorizes and directs the President and the Secretary or the Assistant Secretary of the Authority to execute all collateral documents required for execution of the Lease on behalf of the Authority.
5. If any provision of this Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability thereof shall not affect any of the remaining provisions of this resolution.
6. This Resolution shall take effect immediately upon passage.

Remainder of page intentionally left blank.

Adopted this _____ day of _____, 2012.

INDIANAPOLIS AIRPORT AUTHORITY*

Michael W. Wells, 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 Resolution 3-2012 adopted by the Indianapolis Airport Authority Board on the _____ day of _____, 2012.

Alfred R. Bennett, Secretary
INDIANAPOLIS AIRPORT AUTHORITY



Board Memo
2011 Audited Financial Statements

To: IAA Board of Directors
From: Marsha Stone, Chief Financial Officer
Date: April 3, 2012
Board Date: April 20, 2012
Subject: 2011 Audited Financial Statements

Background

Anticipate receiving at the April 20th board meeting your copy of the 2011 Audited Financial Statements, presented with an unqualified opinion, of the Independent Accountant's Report on Financial Statements and Supplementary Information for the Indianapolis Airport Authority for the years ending December 31, 2011 and 2010, as performed by the Authority's independent accounting firm, BKD, LLP. Included will be the audit management letter which is a required communication.

On April 3, 2012 the Authority's Finance and Audit Committee reviewed the statements and management letter and approved the recommendation for approval to the full Indianapolis Airport Authority Board.

Recommendation

Consider for approval the Independent Accountants' Report and Financial Statements of the Indianapolis Airport Authority for the years ending December 31, 2011 and 2010 as reviewed and recommended by the Finance and Audit Committee.



Board Memo
2012 Staff Travel Approval

To: IAA Board of Directors
From: Robert A. Duncan, Interim Executive Director
Date: April 11, 2012
Board Date: April 20, 2012
Subject: 2012 Staff Travel

Background

On March 23, 2012 the annual update to the IAA Business Travel and Reimbursement Policy was approved by the IAA Board. Section 5.1 - Authorizing Travel requires the annual submission of travel anticipated by IAA staff to be compiled and submitted for approval.

Additional travel requests are allowable under the policy by submission to the Executive Director for consideration, and, if the requested travel is deemed necessary and appropriate, the Executive Director may recommend to the Board President for consideration and approval.

Scope

Travel anticipated for the remainder of calendar year 2012.

The attached listing of anticipated travel was compiled by staff to ensure value for time and expense invested and in support of the core focus areas of air service development, operational excellence, customer service and personnel development. In aligning anticipated travel to current objectives, the listing was adjusted to 79 travel considerations from over 100.

Internal processes are being adjusted to accommodate, monitor and report on this method and form of travel approval.

Recommendation

Consider for approval 2012 IAA Staff travel plans for the remainder of 2012.

Indianapolis Airport Authority

2012 Travel Plans (QTR 2, 3, and 4) - ALL Departments

Tracking Index	Dept	QTR	Travel Purpose	Traveler*	Traveler Job Description or Position	Description of Trip	City	State
12-001	AEROTROPUS - 1550	QTR2	Conference/Training	Wilson, Corey	IND Aerotropolis	Airport Cities Conference	Denver	CO
12-002	AEROTROPUS - 1550	QTR3	Other	Wilson, Corey	IND Aerotropolis	Memphis Aerotropolis Site Visit	Memphis	TN
12-003	AEROTROPUS - 1550	QTR4	Other	Wilson, Corey	IND Aerotropolis	Detroit Aerotropolis Site Visit	Detroit	MI
12-004	AIR SERVICE DEVELOPMENT - 5400	QTR2	Business Development	Chris Matney	Air Service Director	IA/TA Air Cargo Time & Temp Task Force	Montreal	Canada
12-005	AIR SERVICE DEVELOPMENT - 5400	QTR2	Business Development	Chris Matney	Air Service Director	ACI Marketing/Comm Jumpstart Conf	Sacramento	CA
12-006	AIR SERVICE DEVELOPMENT - 5400	QTR2	Business Development	Chris Matney	Dir Business Development	Meeting with Nippon Cargo Airlines	Chicago	IL
12-007	AIR SERVICE DEVELOPMENT - 5400	QTR2	Business Development	Mark Hedegard	Dir Business Development	Meeting w/ Cathay Pacific	Los Angeles	CA
12-008	AIR SERVICE DEVELOPMENT - 5400	QTR2	Business Development	Mark Hedegard	Dir Business Development	International Air Cargo Forum	Atlanta	GA
12-009	AIRFIELD - 1100	QTR2	Conference/Training	2 Maintenance Staff	Ops/Maintenance	Snow Symposium	Buffalo	NY
12-010	AIRFIELD - 1100	TD/Unknown	Conference/Training	2 Maintenance Staff	Ops/Maintenance	Airfield Lighting Seminar	Buffalo	NY
12-011	AIRFIELD - 1100	TD/Unknown	Conference/Training	Maintenance Staff	Ops/Maintenance	Pierce Aerial Maintenance and Electrical	Oshkosh	Wisconsin
12-012	AIRPORT SECURITY - 4450	QTR2	Conference/Training	Todd Lackey	Airport Security	AAAE Transportation Security Clearinghouse Workshop	Alexandria	VA
12-013	AIRPORT SECURITY - 4450	QTR3	Conference/Training	Reggie Baumgardner	Director of Security	ACI-NA Security Fall Conf.	Arlington	VA
12-014	CCO-CHIEF COMMUNICATIONS OFFICER & MARKETING - 5200	QTR2	Conference/Training	Holmes, Katie	Marketing & Market Research Mgr.	PR News Taste of Tech & Social Media Conf.	New York	NY
12-015	CCO-CHIEF COMMUNICATIONS OFFICER & MARKETING - 5200	QTR2	Conference/Training	Trice, Patzetta	CCO + 2 C/M Staff	ACI Marketing/Communications Conf.	Sacramento	CA
12-016	CCO-CHIEF COMMUNICATIONS OFFICER & MARKETING - 5200	QTR2	Conference/Training	Trice, Patzetta	CCO	PR News Measurement Conf.	Washington	DC
12-017	CCO-CHIEF COMMUNICATIONS OFFICER & MARKETING - 5200	QTR3	Conference/Training	Trice, Patzetta	CCO + 1 C/M Staff	DKMA ASQ Americas Conf.	not set yet	USA
12-018	CCO-CHIEF COMMUNICATIONS OFFICER & MARKETING - 5200	QTR3	Conference/Training	Wilson, Corey	Government Affairs	ACI/AAAE Legislative Conference	Washington	D.C.
12-019	CCO-CHIEF COMMUNICATIONS OFFICER & MARKETING - 5200	QTR3	Conference/Training	Wilson, Corey	Government Affairs	Congressional Black Caucus	Washington	D.C.
12-020	CFO & FINANCE - 5700	QTR2	Conference/Training	Mark Kratky	Controller	ACI-NA Economics and Finance	Nashville	TN
12-021	CFO & FINANCE - 5700	QTR2	Conference/Training	Mark Kratky	Controller	ACI-NA Economics and Finance	Nashville	TN
12-022	CFO & FINANCE - 5700	QTR2	Conference/Training	Marsha Stone	CFO	ACI-NA Economics and Finance	Nashville	TN
12-023	CFO & FINANCE - 5700	QTR2	Conference/Training	Robert Thomson	Sr Finance Director	ACI-NA Economics and Finance	Nashville	TN
12-024	CFO & FINANCE - 5700	QTR2	Conference/Training	Babkowski	Financial Planner	ACI Econ. & Finance Conf.	Nashville	TN
12-025	CFO & FINANCE - 5700	QTR2	Conference/Training	Wise, Babkowski	Treasurer & staff	Bond Buyer Midwest Conf.	Chicago	IL
12-026	CFO & FINANCE - 5700	QTR3	Conference/Training	Marsha Stone	CFO	ACI-NA Annual Conference	Calgary	Canada
12-027	CFO & FINANCE - 5700	QTR3	Conference/Training	Robert Thomson	Sr Finance Director	AAI Indiana Annual Conference / Meeting w/FAA & INDOT	Swan Lake	IN
12-028	CFO & FINANCE - 5700	QTR4	Conference/Training	Jeremiah Wise	Treasurer	Bond Buyer P3 Conf.	Chicago	IL
12-029	CFO & FINANCE - 5700	QTR4	Other	Marsha Stone	CFO	ACRP Peer Review Synthesis Project - funded by Trans.	Washington	DC
12-030	CFO & FINANCE - 5700	QTR4	Conference/Training	Wise, J.	Treasurer	AAAE Rates & Charges/P3 Workshop	TBD	USA
12-031	CFO & FINANCE - 5700	TD/Unknown	Regulatory (FAA/TSA/Grants)	Marsha Stone	CFO	FAA/TSA Funding	Washington	DC
12-032	CHIEF LEGAL OFFICER (LEGAL) - 5600	QTR2	Conference/Training	Heerens, Rex Joseph	Chief Legal Officer	ACI-NA Spring Legal Conference	Charleston	SC
12-034	CHIEF LEGAL OFFICER (LEGAL) - 5600	QTR3	Regulatory (FAA/TSA/Grants)	J. Heerens	Chief Legal Officer	AAI Indiana Annual Conference	Swan Lake	IN
12-035	CHIEF LEGAL OFFICER (LEGAL) - 5600	QTR3	Conference/Training	J. Heerens	Chief Legal Officer	ACI-NA World Conference	Calgary	Canada
12-036	CHIEF LEGAL OFFICER (LEGAL) - 5600	QTR3	Regulatory (FAA/TSA/Grants)	Jennifer Thuma	Associate Counsel	AAI Indiana Annual Conference	Swan Lake	IN
12-037	CIO-CHIEF INFORMATION OFFICER (IT) - 5000	QTR2	Conference/Training	David Kimery	Database Administrator	Propworks - Airtt Conference	TBD	USA
12-038	CIO-CHIEF INFORMATION OFFICER (IT) - 5000	QTR2	Conference/Training	David Kimery	Database Administrator	Oracle - Collaborate Conference	Las Vegas	NV
12-039	CONSV MGMT - 1300	QTR2	Conference/Training	Todd Cavender	Environmental Mgr.	ACI-NA Environmental	Las Vegas	NV
12-040	CONSV MGMT - 1300	QTR3	Conference/Training	Todd Cavender	Environmental Mgr.	AAI Indiana Annual Conference	Swan Lake	IN
12-041	COO-CHIEF OPERATING OFFICER - 5900	QTR3	Conference/Training	Michael Medvescek	COO Airport Authority	AAI Indiana Annual Conference	Swan Lake	IN
12-042	COO-CHIEF OPERATING OFFICER - 5900	QTR4	Regulatory (FAA/TSA/Grants)	Michael Medvescek	COO Airport Authority	FAA Great Lakes Conference	Chicago	IL
12-043	ENGINEERING - 4800	QTR2	Conference/Training	Susan Zellers	Dir. Of Planning & Proj. Mgmt.	AAI Quarterly Meeting	Indianapolis	IN
12-044	ENGINEERING - 4800	QTR3	Regulatory (FAA/TSA/Grants)	3 Eng. Staff	Engineering Team	AAI Indiana Annual Conference	Swan Lake	IN
12-045	ENGINEERING - 4800	QTR3	Conference/Training	Susan Zellers	Dir. Of Planning & Proj. Mgmt.	AAI Quarterly Meeting	Indianapolis	IN
12-046	ENGINEERING - 4800	QTR4	Conference/Training	Susan Zellers	Dir. Of Planning & Proj. Mgmt.	AAI Quarterly Meeting	Indianapolis	IN
12-047	FIRE - 4500	QTR3	Regulatory (FAA/TSA/Grants)	39 Fire Fighters	Fire Fighter	Pit Fire Training	Indianapolis	IN
12-048	FIRE - 4500	TD/Unknown	Other	Fire Truck Mechanics	Mechanics	Training	Oshkosh	Wisconsin
12-049	FIRE - 4500	TD/Unknown	Regulatory (FAA/TSA/Grants)	New Hire	Fire Fighter	AARFF Certification	Monticello Trail	South Carolina
12-050	HUMAN RESOURCES - 5300	QTR2	Conference/Training	3 HR Staff	Senior Director, HR	ACI-NA Human Capital Conference	Nashville	TN

Tracking Index	Dept <small>select frm drop down</small>	QTR <small>select</small>	Travel Purpose <small>select frm drop down</small>	Traveler*	Traveler Job Description <small>or Position</small>	Description of Trip	City	State <small>or County if not US</small>
12-051	HUMAN RESOURCES - 5300	QTR2	Conference/Training	James Keough	Senior Director, HR	ACI-NA Human Capital Conference	Nashville	TN
12-052	HUMAN RESOURCES - 5300	QTR2	Conference/Training	James Keough	Senior Director, HR	SHRM Annual Conference	Atlanta	GA
12-054	HUMAN RESOURCES - 5300	QTR2	Conference/Training	James Keough	Senior Director, HR	SHRM/Talent Management Sem	Washington	DC
12-055	Interim Executive Director - 6000	QTR2	Conference/Training	Duncan, Robert	HR Mgrs, Special Programs	SHRM Strategy Conference	Palm Springs	CA
12-056	Interim Executive Director - 6000	QTR3	Conference/Training	Duncan, Robert	Interim Executive Director	ACI-NA Spring Legal Conference	Charleston	SC
12-057	Interim Executive Director - 6000	QTR4	Regulatory (FAA/TSA/GenAs)	Duncan, Robert	Interim Executive Director	FAA Great Lakes Conference	Swan Lake	IN
12-058	INTERNAL AUDIT - 5100	QTR2	Conference/Training	Wiley, Lee	Audit Director/Auditor	FAA Great Lakes Conference	Chicago	IL
12-059	INTERNAL AUDIT - 5100	QTR3	Conference/Training	New Hire	Internal Auditor	Airport Auditor Annual Conference	Mobile	AL
12-060	INTERNAL AUDIT - 5100	QTR3	Other	Wiley, Maria	New Auditor Training	Airport Auditor Board Meeting	TBD	USA
12-061	INTERNAL AUDIT - 5100	QTR3	Conference/Training	Wiley, Maria	Audit/Compliance Director	Chief Audit Executing Training	Buffalo	NY
12-062	OPERATIONS - 4900	QTR4	Conference/Training	Operations Manager	Ops/Maintenance	ASOS	TBD	USA
12-063	OPERATIONS - 4900	QTR4	Conference/Training	Operations Manager	Ops/Maintenance	ASOS	Phoenix	AZ
12-064	PARKING - 1400	QTR2	Conference/Training	2 Parking staff	Bus Dev/ Parking Dir	FAA Great Lakes Conference	Chicago	IL
12-065	POLICE - 4600	QTR3	Conference/Training	Police Officer	Police	Int. Parking Institute	Phoenix	AZ
12-066	POLICE - 4600	QTR3	Conference/Training	Police Officer	Police	Recognition for Nat'l Accreditation	Scottsdale	AZ
12-067	POLICE - 4600	QTR3	Conference/Training	Police Officer	Police	ALAN Conference	Las Vegas	NV
12-068	PROPERTIES - 1500	QTR2	Conference/Training	2 Properties staff	Director Prop/Dir Bus Dev	Airport Cities Conference	San Antonio	TX
12-069	PROPERTIES - 1500	QTR2	Conference/Training	Charles Anderson	Operations Mgr	EDC Summer Conf	Denver	CO
12-070	PROPERTIES - 1500	QTR2	Conference/Training	Kent Ebbing	General Mgr	National Assoc. FTZ	Merriville	IN
12-071	PROPERTIES - 1500	QTR2	Business Development	Mark Hedegard	Dir Business Development	Meeting w/ Land Developer	Atlanta	GA
12-072	PROPERTIES - 1500	QTR2	Business Development	Mark Hedegard	Dir Business Development	DHL/Cinn Airport meeting	Chicago	IL
12-073	PROPERTIES - 1500	QTR3	Conference/Training	2 FTZ staff	Gen Mgr/Ops Mgr	IEDC Fall Conference	Cinn	OH
12-074	PROPERTIES - 1500	QTR3	Conference/Training	Dexter Salenda	Operations Mgr	IEDC Fall Conference	French Lick	IN
12-075	RETAIL - 1211	QTR4	Conference/Training	2 Retail staff	Retail Director & staff	ACI 2012 Concessions Conf	San Diego	CA
12-076	RETAIL - 1211	QTR4	Conference/Training	Mark Hedegard	Dir Business Development	ACI 2012 Concessions Conf	Denver	CO
12-077	SUPPLIER DIVERSITY - 1212	QTR3	Conference/Training	Wilson, Corey	Supplier Diversity	AMAC Conference	St. Louis	MO
12-078	SUPPLIER DIVERSITY - 1212	QTR3	Conference/Training	Wilson, Corey	Supplier Diversity	Best Practices in Supplier Diversity Strategies and Initiatives Seminar	New York	NY
12-079	SUPPLIER DIVERSITY - 1212	QTR4	Conference/Training	Wilson, Corey	Supplier Diversity	AMAC Economic Forum	TBD	USA

IAA Board Meeting
Consent Calendar Agenda
April 20, 2012

Consider for approval:

A) General Business

BP2012-04-3

The FTZ Operator Agreement with LifeScience Logistics, LLC.

B) Capital

BP2012-04-4

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

BP2012-04-5

Plans and Specifications for Bid Package # I-11-021 - IMC Central Energy Plant Steam Trap Replacement, as prepared by CMID, Inc., and authorize the public bidding process.

BP2012-04-6

An Amendment to the contract with CE Solutions, Inc. for additional services for Reconstruction of Hangar #5 (Building #122) in an amount not-to-exceed \$112,804 (fees) and \$950 (expenses) for a total not-to-exceed amount of \$113,754.00. MBE 25.61% (L'Acquis Consulting Engineers and Geosolutions, Inc.) and WBE 5.05% (Keramida, Inc.)

BP2012-04-7

Plans and Specifications for Bid Package # I-11-022 – IMC Hangar Roof Refurbishment, as prepared by A2SO4 Architecture, LLC, and authorize the public bidding process.

BP2012-04-8

Plans and Specifications for Bid Package # I-12-007 – Snow Equipment Replacement Program, as prepared by Indianapolis Airport Authority, and authorize the public bidding process.

BP2012-04-9

Change Order Number 2 with Stanley Convergent Security Solutions, Inc. for Project #I-11-004, Access Control System Consolidation, in an amount not-to-exceed Thirty-Seven Thousand Two Hundred Twenty-Six Dollars (\$37,226). MBE 1.33% (First Electric) and WBE 1.88% (Protection Plus)

C) Real Estate

BP2012-04-10

The purchase of Norma Alpine's property as shown on the attached schedule.



Board Memo
LifeScience's FTZ Operator Agreement

To: IAA Board of Directors
From: Marsha Stone, Chief Financial Officer
Date: March 22, 2012
Board Date: April 20, 2012
Subject: Foreign Trade Zone Operator Agreement

Background

The IAA is the Foreign Trade Zone (FTZ) "grantee" representing Central Indiana communities. In 1981, the IAA created a separate company, the Greater Indianapolis Foreign Trade Zone, Inc. (GIFTZ), a not-for-profit 501C (6), to administer the FTZ program.

LifeScience Logistics, LLC (LifeScience) is a third party logistics provider that focuses exclusively on the healthcare sector. LifeScience will be conducting outsourced business operations, as well as warehousing and distribution for commercial U.S. companies.

LifeScience has experienced significant growth over the past six years at its Brownsburg, IN location. In order to remain competitive, LifeScience feels that providing Foreign Trade Zone (FTZ) status to its prospective clients will help them remain globally competitive in the industry.

LifeScience requested Alternative Site Framework (ASF) sponsorship as a FTZ Operator on January 19, 2012, to gain access to FTZ program benefits.

Companies are reviewed by the GIFTZ Board to ensure granting access to the program benefits is in the public's best interest, supports American trade policies, and does not breach any International Trade Agreements in force with the U.S. The GIFTZ's Board voted to endorse their sponsorship request on February 28, 2012. The GIFTZ Board encourages the IAA to execute a FTZ Operating Agreement and approve their access and use of the FTZ program.

LifeScience has requested its site located at 1105 East Northfield Drive, Suite 400, Brownsburg, IN be established as a FTZ site, under ASF:

- LifeScience has a 262,200 square foot warehouse that can be expanded to 300,000 square feet, as customer needs dictate.
- LifeScience has 40 fulltime employees and expects its employee base to grow to around 200 at this location. Currently, its annual payroll is \$711,000.

Scope

The GIFTZ Board requests the IAA Board execute a FTZ Operator Agreement with LifeScience to allow the use of FTZ benefits at its site.

Schedule

April 20, 2012: IAA executes LifeScience's FTZ Operator Agreement.
July 1, 2012: Tentative activation date of LifeScience's FTZ site.

Revenue and/or Operating Cost Implications

Revenue:

The GIFTZ Board publishes a public rates and charges document referred to as a *Zone Schedule*. Revenue for 262,200 square feet of active FTZ space is \$48,000 per annum.

Operating Costs:

The GIFTZ has no initial costs associated with LifeScience's ASF designation. Once LifeScience activates the use of the FTZ privileges, the GIFTZ will expend approximately \$4,900 per annum in direct support costs.

Supplier Diversity Participation

Not Applicable

Recommendation

The IAA Staff and GIFTZ Board recommend the IAA Board consider for approval FTZ Operator Agreement with LifeScience Logistics, LLC.



Board Memo - Contract

To: IAA Board of Directors

From: Mike Medvescek, Chief Operating Officer

Date: February 19, 2012

Board Date: April 20, 2012

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

Background

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

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

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

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

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

Explanation of Contract Phasing

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

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

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

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

Scope

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

Budget

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

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

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

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

Schedule

The term of this contract for Phase I MP is expected to begin April 20, 2012 upon Board approval and conclude December 31, 2012 to allow time for FAA review and approval of the aviation forecasts.

Supplier Diversity Participation

The Director of Supplier Diversity has approved the following:

FIRM	AMOUNT			%		
	DBE	MBE	WBE	DBE	MBE	WBE
Shrewsberry & Associates, LLC	\$37,638	\$37,638	\$0	16.15%	16.15%	0%
Engaging Solutions LLC	\$3,000	\$0	\$3,000	1.29%	0%	1.29%
Totals	\$40,638	\$37,638	\$3,000	17.44%	16.15%	1.29%

Recommendation

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



Board Memo – Plans & Specifications Approval

To: IAA Board of Directors

From: Mike Medvescek, Chief Operating Officer

Date: March 9, 2012

Board Date: April 20, 2012

Subject: Approval of Plans and Specifications for Bid Package # I-11-021- IMC Central Energy Plant Steam Trap Replacement, and Authorize the Public Bidding Process

Background

The Central Energy Plant (CEP) provides the terminal with high temperature water for heating and chilled water for cooling. The CEP also provides compressed air, high pressure steam, chilled water, and natural gas to the Indianapolis Maintenance Center (IMC) and removes industrial waste water from IMC. The distribution of the various products to the IMC is supported by an overhead pipe arbor.

The original design of the overhead pipe arbor system included twelve (12) steam traps that were essential for removal of the condensate that builds up in the steam lines. Only four (4) of the original twelve (12) steam traps remain functional. The current condition of the other eight (8) steam traps is that they have expended their useful life, and must be replaced.

For this project, the 2011 budget and 2012 budget have been combined in order to take advantage of an economy of scale that combines the demolition and installation factors of the project.

The combined 2011 and 2012 project was approved for implementation by the Executive Management Team on March 22, 2012.

Scope

The scope of work provides for the replacement of twelve (12) steam traps and associated piping.

Budget

Total construction package is estimated between \$250,000 and \$500,000.

The project is being funded with 100% Airport cash funds and is within the approved cash flow for the 2011 and 2012 Capital Improvement Program. To combine the projects, the 2011 funding was carried forward to the cash flow for 2012. The project is within its budget.

This project is being undertaken to repair existing infrastructure that is integral to the continued operation of the airport. As a result of the critical nature of the repairs, this project is exempt under the Authority's hurdle rate policy and has not been subjected to an internal rate of return calculation.

Schedule

Advertisement of Opportunity to Bid: April 24, 2012 and May 1, 2012

Pre-Bid Meeting: May 8, 2012 3:30 p.m. Building 60, Conference Room 1

Bid Opening: May 22, 2012 11:00 a.m. Building 60, Conference Room 1

Est. Bid Award: June 15, 2012

Work is expected to start July 2012 and the substantial completion date is expected to be December 31, 2012.

Supplier Diversity Participation

The Director of Supplier Diversity established the following participation goals:
MBE 18% and WBE 5%

Recommendation

The IAA staff has reviewed the bid documents and recommends that the Board consider for approval Plans and Specifications for Bid Package # I-11-021 - IMC Central Energy Plant Steam Trap Replacement, as prepared by CMID, Inc., and authorize the public bidding process.



Board Memo – Amendment

To: IAA Board of Directors

From: Milke Medvescek, Chief Operating Officer

Date: March 9, 2012

Board Date: April 20, 2012

Subject: Approval of Amendment No. 2 with CE Solutions, Inc. for Reconstruction of Building # 122, Project No. I-12-020

Background

On November 7, 2010, a three-alarm fire broke out in the Comlux Completion USA Hangar #5 (IAA Building #122). The fire was contained to the southeast corner of the building, damaging a two-story office component and some of the open hangar bay. There is smoke, water and fire fighting damage throughout the building. Fire source and origin are still under review, but the facility has been released by the IAA's insurance carrier for reconstruction. The Indianapolis Airport Authority (IAA) owns the facility which is leased to Signature Flight Support who sub-leases it to Comlux Completion USA.

The IAA hired CE Solutions, Inc. (CE Solutions) to inspect the damage and prepare a report, Fire Damage Assessment and Opinions of Probable Reconstruction and Building Code Upgrade Cost (Damage Report), to assist the IAA in making a claim to the insurance company for reconstruction. Concurrently, IAA's insurance carrier also investigated the damage and prepared an estimate for the cost of reconstruction. The insurance company provided its report to the IAA in late June 2011. To reconcile the reconstruction scope, a series of coordination meetings, conference calls and site visits attended by IAA staff, CE Solutions, and insurance representatives were conducted in July through November 2011.

When the IAA and insurance carrier company reached an agreement on the basic reconstruction scope, the IAA entered into a professional services contract with CE Solutions for design of the basic reconstruction scope. Although there was agreement on the basic reconstruction scope, the IAA was awaiting a response from the State Fire Marshal & Commissioners Office (State Fire Marshal) regarding the code upgrade requirements, as a finding was required before insurance would cover any code upgrades. While awaiting the finding from the State Fire Marshal, the IAA Board

approved a contract amendment with CE Solutions for the permitting, bidding and construction services for the basic reconstruction scope. This amendment also included as additional services the code upgrades as identified in the Damage Report. CE Solutions completed the basic reconstruction scope in November 2011 while awaiting resolution of the required code upgrades.

In November 2011, the IAA received a letter from the State Fire Marshal identifying that the building was sufficiently damaged such that it needed to be reconstructed to current codes. To seek clarity and agreement on the code upgrade requirements, in consultation with CE Solutions and the insurance company, the IAA requested seven (7) variances from the State Fire Marshal in November 2011. The variance request was tabled by the State Fire Marshal until February 2012. At the February 2012 meeting, six (6) of the seven (7) variance requests were granted. The one request not granted relates to the electrical system. Thus, the entire electrical system must be replaced to meet current code requirements.

This contract amendment is for the expanded design, bidding and construction administration services to accomplish the variance requests that optimize the reconstruction of the hangar, and replacement of the full electrical system. This scope is beyond that addressed in the Damage Report and is not covered by the additional services in Amendment No. 1. In addition, this amendment reimburses CE Solutions for professional services provided to assist the IAA through the three (3) month variance request and hearing process.

When the construction contract is presented to the Board for approval, a contract for construction management services will also be presented. With nine (9) months of construction, strict requirements to satisfy the insurance company for reimbursement of the construction costs and the potential for unforeseen conditions with the reconstruction of a fire damaged building, daily on-site oversight will be essential.

This project was approved for implementation by the Executive Management Team on August 22, 2011.

Scope

The scope of this Amendment No. 2 with CE Solution is for additional professional services, as described above, for the expanded scope of the reconstruction and the extensive coordination on the code requirement variance requests and hearings.

Budget
 Amendment No. 2 in the amount of \$113,754 is within the design and soft costs of the project budget.

Design and Soft Costs	\$ 513,000
Construction Management	\$ 180,000
Construction estimate	\$ 4,580,000
Construction Contingency (15%)	<u>\$ 687,000</u>
Total Project Cost	\$ 5,960,000

Funding for this project is insurance proceeds less the \$100,000 insurance deductible which will be paid from Airport cash.

This project is included in the 2012 Capital Improvement Program for \$3,500,000. The increase in the project budget is due to the required code upgrades. The IAA is only responsible for the \$100,000 deductible and will not have increased costs due to the required code upgrades.

This project is being undertaken to repair an existing facility due to fire that has caused the facility to be unusable. After satisfying the deductible, insurance proceeds will be used to cover the cost of the reconstruction. As a result of the health and safety issues related to the fire damaged facility, this project is exempt under the Authority's hurdle rate policy and has not been subjected to an internal rate of return calculation.

Schedule

The term of this amendment will begin April 20, 2012 upon Board approval and conclude December 31, 2013.

Supplier Diversity Participation

The Director of Supplier Diversity approved the following:

FIRM	AMOUNT		%	
	MBE	WBE	MBE	WBE
L'Acquis Consulting Engineers	\$24,984	\$0	22.15%	0%
Geosolutions, Inc.	\$3,900	\$0	3.46%	0%
Keramida, Inc.	\$0	\$5,695	0%	5.05%
Totals	\$28,884	\$5,695	25.61%	5.05%

Contract Summary to Date

Contract/Amendment & Execution Date	Service & Term	Amount	Minority Participation %	
			MBE	WBE
Original Contract September 12, 2011	Professional Services & Expenses Term: 9/12/11 – 12/31/12	\$143,678	26.84%	2.60%
Amendment No. 1 September 16, 2011	Professional Services Term: 9/16/11 – 6/30/13	\$150,777	15.41%	20.59%
Amendment No. 2 April 20, 2012	Professional Services Term: 9/16/11 – 12/31/13	\$113,754	25.61%	5.05%
	Revised Contract NTE	\$408,209	22.62%	9.41%

Recommendation

The IAA staff has reviewed the proposal and recommends that the Board consider for approval an amendment to the contract with CE Solutions, Inc. for additional services for Reconstruction of Hangar #5 (Building #122) in an amount not-to-exceed \$112,804 (fees) and \$950 (expenses) for a total not-to-exceed amount of \$113,754. MBE 25.61% (L'Acquis Consulting Engineers and Geosolutions, Inc.) and WBE 5.05% (Keramida, Inc.)



Board Memo – Plans & Specifications Approval

To: IAA Board of Directors

From: Mike Medvescek, Chief Operating Officer

Date: March 9, 2012

Board Date: April 20, 2012

Subject: Approval of Plans and Specifications for Bid Package # I-11-022 – IMC Hangar Roof Refurbishment, and Authorize the Public Bidding Process

Background

The Indianapolis Maintenance Center (IMC's) hangar roofs were installed from 1993 to 1995. Over the years, the freeze thaw cycles have curled the edges of many of the seams on the roofs; the flashings are corroding and in some places need replacement. Also, the membrane has shrunk and cracked, creating voids resulting in roof leaks. This project will combine the first phase and second phase of a three (3) year capital improvement project to repair the membrane, damaged seams, and to replace corroded flashings.

The combined phase one and two project was approved for implementation by the Executive Management Team on March 22, 2012.

Scope

Repairs will be made to the ballasted built-up bitumen roof seams of the IMC hangars in order to stop the roof leaks.

Budget

Total construction package is estimated between \$250,000 and \$500,000.

This project is being funded with 100% Airport cash funds and is within the approved cash flow for the 2011 and 2012 Capital Improvement Program. To realize cost savings on a combined project, the 2011 funding was carried forward to 2012. The projects were combined in order to take advantage of the economies of scale including one time mobilization and demobilization and reduced overhead costs. The project is within its budget.

This project is being undertaken to repair existing infrastructure that is integral to the continued operation of the IMC. As a result of the critical nature of the repairs, this project is exempt under the Authority's hurdle rate policy and has not been subjected to an internal rate of return calculation.

Schedule

Advertisement of Opportunity to Bid: April 24, 2012 and May 1, 2012

Pre-Bid Meeting: May 7, 2012 1:30 p.m. Building 60, Conference Room 1

Bid Opening: May 24, 2012 2:30 p.m. Building 60, Conference Room 1

Est. Bid Award: June 15, 2012

Work is expected to start July 2012 and the substantial completion date is expected to be December 31, 2012.

Supplier Diversity Participation

The Director of Supplier Diversity established the following participation goals:
MBE 18% and WBE 5%

Recommendation

The IAA staff has reviewed the bid documents and recommends that the Board consider for approval Plans and Specifications for Bid Package # I-11-022 – IMC Hangar Roof Refurbishment, as prepared by A2SO4 Architecture, LLC, and authorize the public bidding process.



Board Memo – Plans & Specifications Approval

To: IAA Board of Directors

From: Milke Medvescek, Chief Operating Officer

Date: March 27, 2012

Board Date: April 20, 2012

Subject: Approval of Plans and Specifications for Bid Package # I-12-007, Snow Equipment Replacement Program, and Authorize the Public Bidding Process

Background

The Snow Equipment Replacement Program provides the Indianapolis Airport Authority (IAA) with the equipment needed to remain compliant with Federal Aviation Regulation (FAR) Part 139 and Indiana Department of Transportation (INDOT) requirements. This project also provides the IAA with the equipment needed to remain compliant with Federal Aviation Administration (FAA) recommendations; Aircraft Circular (AC) 150/5220-30B Airport Winter Safety and Operations, and AC 150/5220-20 Airport Snow and Ice Control Equipment.

This project was approved for public bidding only by the Executive Management Team on March 22, 2012. The Team requested that the results from the public bidding for the two options be brought back for additional consideration and determination of next steps.

Scope

Option 1: The replacement of one (1) 21 Year old (1991) dual engine airfield snow broom with one (1) new dual engine airfield snow broom. This option will eliminate excessive maintenance cost related to obsolete equipment.

Option 2: The replacement of nine (9) dual engine snow brooms and nine (9) tandem axle plow trucks with (9) dual engine multi-purpose machines. With new technology, a single multi-function vehicle can replace two (2) pieces of equipment (1 broom and 1 plow). The use of this equipment at other airports has demonstrated that the levels of service will increase, safety will be enhanced and a significant reduction in the amount of time for snow removal will result.

If Option 2 is selected, thirteen (13) ice and snow vehicles in the IAA fleet will be sold to help offset the additional cost to purchase the nine (9) multi-functional units.

Option 2 is the staff recommended choice. The prevention of runway incursions is one of the Federal Aviation Administration's highest priorities. Multi-function snow removal equipment will reduce the number of equipment operating on the airfield and greatly enhance safety. The new equipment will also significantly reduce the time it takes to clear a runway by 50%, from 35 minutes to 15-18 minutes. The reduction in fuel usage and corresponding air emissions (carbon dioxide) are significant and are consistent with sound environmental practices. The IAA will be meeting FAA recommendations for snow control.

Budget

Option 1: Total equipment package is estimated between \$500,000 and \$600,000.

The funding for Option 1 (\$450,000) is within the approved cash flow for the 2012 Capital Improvement Program. If the bid price exceeds the approved budget, an adjustment to cash flow will be needed.

As a project being undertaken to replace existing equipment that is also seventy-five percent (75%) funded with federal grants, that project is exempt under the Authority's hurdle rate policy and has not been subjected to an internal rate of return calculation.

Option 2: Total equipment package is estimated between \$5,000,000 and \$6,000,000. If this option is selected and the bids are within the estimated range, the IAA staff will need to identify a source of funding.

The funding for Option 2 is not within the approved cash flow for the 2012 Capital Improvement Program.

The internal rate of return (IRR) for this Option 2, based on a fifteen (15) year equipment life, is 17.93% which is in excess of the hurdle rate policy threshold of 12.50%. The primary drivers of IRR for this project are (1) the difference between the acquisition cost of the new equipment relative to the replacement costs of the existing equipment, (2) the elimination of certain contractual snow removal costs as a result of the Authority being able to bring these services in-house after purchasing the new equipment, and (3) the reduction of maintenance costs associated with the new equipment when compared to the maintenance costs for the existing equipment. The IRR can be negatively impacted if the asset life of the new equipment is less than fifteen (15) years or if the maintenance costs of the new equipment are higher than anticipated.

Schedule

The schedule will be established subject to coordination with the FAA.

Supplier Diversity Participation

The Director of Supplier Diversity established the following participation goals:
DBE 12%, MBE 18%, and WBE 5%

Recommendation

The IAA staff has reviewed the bid documents and recommends that the Board consider for approval Plans and Specifications for Bid Package # 1-12-007 – Snow Equipment Replacement Program, as prepared by Indianapolis Airport Authority, and authorize the public bidding process.



Board Memo – Change Order

To: IAA Board of Directors

From: Milke Medvescek, Chief Operating Officer

Date: March 19, 2012

Board Date: April 20, 2012

Subject: Change Order No. 2 for Project # I-11-004, Access Control System Consolidation, with Stanley Convergent Security Solutions, Inc. (Stanley)

Background

The Access Control System (ACS) Consolidation Project will migrate the Indianapolis Airport Authority's (IAA) multiple access control systems to one (1) system. Currently, the IAA is operating multiple access control systems at the Indianapolis International Airport to secure airport buildings, doors, perimeter gates and security cameras. The systems installed on the east side of the Indianapolis International Airport (IND) airfield will be replaced with the system installed as part of the Midfield Terminal Program so that the IAA can utilize a single identification media/badge. Management of one (1) consolidated system will be more efficient to operate with fewer work stations and parts to maintain.

On July 27, 2011, the IAA staff received two (2) bids. The project contained a base bid and four (4) alternate bid items. Stanley Convergent Security Solutions, Inc. was the lowest responsive and responsible bidder in the amount of \$462,264 for the base bid. Stanley Convergent Security Solutions, Inc. was also the lowest responsive and responsible bidder for the base bid plus Alternate Bid Item Number 1.

U.S. Customs has an agreement with the IAA to process arriving international military flights at the International Arrivals Building (IAB). Subsequent to receiving the bids, U.S. Customs and Border Protection (U.S. Customs) unexpectedly identified the need for additional cameras and data storage needs beyond those included in the bid package to serve additional space at the IAB that is being provided to allow them to continue processing the international military flights at this location. These additional cameras and data storage are covered in this change order.

The budget for the ACS Consolidation project has been increased twice with Executive Management Team approval, most recently on September 26, 2011, based on the availability of additional grant funding allowing for full migration of the ACS to be

completed in this project. The current total project budget is \$724,736. Included in these budget increases was funding for the additional ACS work at the IAB for U.S. Customs.

The Board approved the contract for the base bid plus 3% construction reserve on September 16, 2011. The Board approved Change Order No. 1 on October 21, 2011 for Bid Alternate 1 that was able to be awarded with additional grant funding. Change Order Number 2 is to meet the additional U.S. Customs requirements.

Change Order Summary

Typically, contract changes fall under one (1) of three (3) categories: Errors/Omissions, Unforeseen Circumstances, or additional Owner requested scope. This change order is due to additional Owner requested scope to accommodate the requirements of U.S. Customs.

Budget

The current budget for the ACS Consolidation is \$724,736 and includes the funding for the additional U.S. Customs requirements at the IAB encompassed in Change Order No. 2 in the amount of \$37,225.85.

<u>Current Budget</u>	
Contract Amount (including 3% reserve)	\$476,132
Design & Soft Costs	\$138,520
Previous Change Orders	\$ 71,736
Change Order 2	\$ 37,226
Unforeseen Conditions	<u>\$ 1,122</u>
Total	\$724,736

The cost of the total project will be 75% Airport Improvement Program (AIP) grant funding and 25% Airport cash funding. The AIP grants for this project have been executed.

This project is being undertaken to improve safety, security, and create operational efficiencies and is seventy-five percent (75%) funded with federal grants. As a result of the grant funding, this project is exempt under the Authority's hurdle rate policy and has not been subjected to an internal rate of return calculation.

Schedule

Fourteen (14) calendar days have been granted for the Change Order No. 2 for the additional work at the IAB. The cost for the additional days is included as part of the work in Change Order No. 2.

Supplier Diversity Participation

If the change order is approved by the Board, the XBE participation on this project will be affected in the following way:

FIRM	CLASSIFICATION	ORIGINAL PLUS CO NO. 1 AMOUNT	ORIGINAL PLUS CO NO. 1 %	AFTER CO NO. 2 AMOUNT	AFTER CO NO. 2 %
First Electrical	MBE	\$ 7,070	1.32%	\$ 7,770	1.33%
Protection Plus	WBE	\$ 11,000	2.06%	\$ 11,000	2.01%
Totals	MBE WBE	\$ 7,070 \$11,000	1.32% 2.06%	\$ 7,770 \$11,000	1.33% 1.88%

Recommendation

The IAA staff has reviewed the Change Order and recommends that the Board consider for approval Change Order Number 2 with Stanley Convergent Security Solutions, Inc. for Project #1-11-004, Access Control System Consolidation, in an amount not-to-exceed Thirty-Seven Thousand Two Hundred Twenty-Six Dollars (\$37,226). MBE 1.33% (First Electric) and WBE 1.88% (Protection Plus)



Board Memo
Property Acquisition

To: IAA Board of Directors
From: Joseph Heerens, Chief Legal Officer
Date: March 27, 2012
Board Date: April 20, 2012
Subject: Property Acquisition – Norma S. Alpine

Background

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

Scope

The residential property being acquired from Norma Alpine as shown on the attached schedule is included in the IAA’s land acquisition Phase II Program. The Purchase Agreement under consideration is based on an appraised value of One Hundred Fifty Five Thousand (\$155,000) dollars.

Schedule

April 20, 2012: Approve the Purchase Agreement with Norma Alpine. The closing will occur as soon as practicable thereafter.

Funding

This acquisition is currently funded from the 2012 Capital Improvement Fund. The property will be eligible for federal grant reimbursement as an element of the IAA’s Noise Compatibility Plan.

Recommendation

The IAA Staff recommends the purchase of Norma Alpine’s property as shown on the attached schedule.

