

Agenda
Indianapolis Airport Authority
August 21, 2009
8:30 a.m.

I. Call to Order

II. Approval of Minutes of the Regular Meeting of July 17, 2009

III. Ordinances, Resolutions and Public Hearings

- a) Final Hearing on General Ordinance 3-2009 amending General Ordinance 4-2008 concerning rates and charges.
- b) Consider for approval the adoption of General Ordinance 3-2009 amending General Ordinance 4-2008 concerning rates and charges.
- c) Consider for approval adoption of Resolution No.11-2009 – Delegation of authority for 2009 Terminal Food & Beverage and Retail Concessionaire Rent Relief.
- d) Public Hearing on Land Sale consisting of 16.497 acres and improvements at 7337 W. Washington St. to PWK Capital Investments, LLC. for the sum of \$5,600,000. (BP2009-08-11)
- e) Public Hearing on Land Sale consisting of 17.338 acres and improvements of various parcels located along I-465 to the Indiana Department of Transportation for the sum of \$2,316,325. (BP2009-08-12)

IV. Board Reports

- a) President's Report

V. Official Actions

- a) Introduction of the IAA Consent Calendar dated August 21, 2009.
- b) Consider for approval each of the individual items listed on the IAA Consent Calendar Agenda dated August 21, 2009.

VI. Staff Reports

- a) CEO Report – John Clark D. Clark, III
- b) Financial Report – Marsha Stone
- c) Passenger Activity Report – Christofer Matney

VII. Other

- a) Tom Brink, President & CEO of Methodist Occupational Health – Plaque Presentation
- b) William Holland, Indianapolis ARTCC Staff Manager – DOT/FAA Certificate of Appreciation

VIII. Adjourn

The Regular Meeting of the Indianapolis Airport Authority Board was called to order at 8:55 a.m. July 17, 2009 in the Airport Board Room at Indianapolis International Airport.

Present and comprising a quorum were:

Michael B. Stayton, President
Alfred R. Bennett, Secretary
Jean L. Wojtowicz, Member
Alex Azar, Member

Lacy Johnson, Vice President
Andrew Miller, Member
Kelly Flynn, Member
Randy Tobias

Advisory Members attending:

Jack Morton
Lynn Gordon
Steve Dillinger

IAA staff attending:

John D. Clark III, Executive Director/CEO
Marsha Stone, Chief Financial Officer
Robert Duncan, Chief Operating Officer
Patzetta Trice, Chief Communications & Marketing Officer
Jennifer Tillman, Special Projects Officer
Rex Joseph, IAA Counsel
Beverly Terlaje, Recording Secretary
Carmen Caldwell, Admin. Assistant

Introduction of 2009 IAA Interns

Ginger Thomas, Director of Human Resources introduced the 2009 IAA Summer interns and stated that this is the second year of the IAA Internship program. Ms. Thomas asked each intern to provide a brief introduction.

APPROVAL OF MINUTES

Upon a motion by Mr. Flynn, seconded by Mr. Tobias and unanimously passed, approval was given to the Minutes of the Regular Meeting of June 19, 2009.

ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS

President Stayton opened the public hearing on General Ordinance No. 2-2009 approving the 2010 Indianapolis Airport Authority Budget. With there being no discussion the hearing was closed.

Upon motion by Mr. Miller, seconded by Ms. Wojtowicz and unanimously passed, approval was given to adopt General Ordinance No. 2-2009 approving the 2010 Indianapolis Airport Authority Budget.

President Stayton stated a meeting will be held on July 23, 2009 with the airline community to go over the budget and then enter into the usual City County Council hearings thereafter.

President Stayton asked for a motion to consider for approval the adoption of Resolution No. 10-2009 Delegation of Signature Authority on Board Approved Documents, which would delegate the signatures of board approved documents to the President and Secretary and normal course of business to the Executive Director/CEO.

Upon motion by Mr. Bennett seconded by Mr. Azar and unanimously passed, approval was given to adopt Resolution No. 10-2009 Delegation of Signature Authority on Board Approved Documents.

President Stayton provided an Introduction of General Ordinance 3-2009 amending General Ordinance 4-2008 concerning rates and charges, with the public hearing to be held on August 21, 2009.

BOARD REPORTS

President Stayton announced that the strategic planning process has begun and anticipates a strategic plan by this fall on what will happen with the Airport in the next five years. The focus will be on the needs of our airports and airlines in the long term, based on the anticipated traffic and also economic development opportunities, which would include the old terminal. President Stayton encouraged everyone to bring forth any ideas on the use of the space at the old terminal.

President Stayton also announced that the Finance and Audit Committee will meet immediately following the board meeting.

APPROVAL OF PAYMENTS:

Upon a motion by Mr. Flynn, seconded by Mr. Tobias and passed by a majority vote with Mr. Johnson abstaining, approval was given for payments to Ice Miller LLP in the amount of \$23,841.88 per the attached schedule.

Upon a motion by Mr. Miller, seconded by Mr. Tobias and unanimously passed, approval was given for payments in the amount of \$3,531,713.19 per the attached schedules

OFFICIAL ACTIONS

President Stayton asked that board paper 111-09, IBM Contract Amendment be treated as a separate item.

APPROVAL OF THE INDIANAPOLIS AIRPORT AUTHORITY CONSENT CALENDAR DATED JULY 17, 2009, WITH THE EXCEPTION OF BOARD PAPER 111-09: Upon a motion by Mr. Johnson, seconded by Mr. Flynn and passed by a majority vote, approval was given to the Consent Calendar dated July 17, 2009.

APPROVAL OF INDIVIDUAL ITEMS WITH THE EXCEPTION OF BOARD PAPER 111-09 LISTED ON THE INDIANAPOLIS AIRPORT AUTHORITY CONSENT CALENDAR DATED JULY 17, 2009:

Upon a motion by Mr. Bennett, seconded by Mr. Johnson and passed by a majority vote, approval was given to accept the individual items listed on the Consent Calendar dated July 17, 2009.

Upon a motion by Mr. Flynn, seconded by Mr. Bennett and passed by a majority vote, approval was given to accept Board Paper 111-09, Contract Amendment with IBM. Due to a conflict of interest, Mr. Miller and Mr. Johnson recused themselves with respect to this transaction.

STAFF REPORTS

CEO REPORT

Mr. Clark stated that we are moving forward with the Strategic Planning Process and earlier this week IAA managers and directors had the opportunity to participate. Mr. Clark also stated, for the board members that were unable to participate during the board's schedule of the Strategic Planning Process, the results will be provided for review.

Mr. Clark stated the initial draft report of the airport system's planning process was received and management will begin preparations on a presentation to the board about the airport system, where we are and validate certain operations and missions as it relates to the system.

Mr. Clark stated that we will begin to scope out a framework to identify a team of companies that will work with IAA on highest and best use planning processes and non-aeronautical revenue development opportunities.

CFO REPORT

Marsha Stone, Chief Financial Officer provided a brief update of the Financial Report for May 2009 and year to date.

PASSENGER ACTIVITY REPORT

Chris Matney, Director of Air Service Development, provided a brief update on air service and passenger activity for June 2009.

OTHER BUSINESS

President Stayton recognized Mr. Hal Darring, Chief Executive Officer for Global Parking Systems, Inc., and thanked him for his sponsorship of the refreshments provided in today's board meeting.

ADJOURN

There being no further business, the meeting was adjourned at 9:30 a.m.

INDIANAPOLIS AIRPORT AUTHORITY*

Michael B. Stayton, President

Alfred R. Bennett, Secretary

Date: _____


*Signed under authority of IAA Board Resolution 10-2009



Indianapolis Airport Authority

Board Memo

Parking Rate Adjustments

To: IAA Board
From: Marsha Stone, CFO 
Date: August 18, 2009
Subject: Parking Rate Adjustments

Background and Objectives

The Authority has forecast an approximate \$4 million increase in parking revenue in 2010 when compared with 2009 forecast revenue. The goal of the Authority is to implement a parking rate adjustment (effective September 1, 2009) to capture at least \$4 million in incremental revenue in 2010 when combined with the implementation of other marketing programs.

The Authority is also striving to be the "airport system of choice" in the Midwest. So, the proposed re-pricing structure is intended to maintain the Authority's competitiveness with local (Indianapolis off-airport parking) and regional (Midwest on-airport parking) competition. Appendices "A" and "B" contain information on competitive parking products.

Competitive Analysis

On average, Midwest on-airport daily parking rates for garage parking is \$16 - \$22, for long-term parking is \$10 - \$12, and economy parking is \$7 - \$9, compared with \$16, \$11, and \$7 respectively at IND. Currently, the Authority is more cost competitive than many surrounding airports, and the Authority can raise parking rates modestly while still being cost competitive with surrounding airports and off-airport operators.

Recommendation

General Ordinance 3-2009 is included on the August 21, 2009 Board agenda, and delegates authority to the CEO/Executive Director to modify Authority parking rates up to a maximum daily rate of \$22 for any individual parking product.

The staff recommendation is to raise daily parking rates at IND to \$9 for the economy lot, \$12 for the long-term lot, and \$18 in the garage, leaving the hourly rate unchanged. The expected annual increase in revenue from this rate modification is between \$3.1 million and \$4.5 million per year. Following Board adoption of Ordinance 3-2009 and with authorization by the CEO/Executive Director, Staff will implement this rate adjustment effective September 1, 2009 and will continue to update the Board on the impact of this rate change through future communications.

Appendix A

Comparative On-Airport Daily Parking Rates – as of August 2009

<u>Airport</u>	<u>Garage</u>	<u>Long-Term</u>	<u>Economy</u>
Chicago O’Hare	\$30/\$50	N/A	\$9/\$13/\$16
Chicago Midway	\$50	\$28	\$14
Port Columbus	\$27	\$17	\$6/\$7/\$9
Dayton	\$25	\$12/\$14	\$6
Raleigh Durham	\$24	\$10	\$6
Nashville	\$22	\$10	\$8
Memphis	\$21	\$11	\$8
Pittsburgh	\$21	\$11	\$8
St. Louis	\$20	\$12	\$6/\$9
Louisville	\$18	\$12	\$9
Kansas City	\$18	\$12	\$5.50
Indianapolis	\$16	\$11	\$7
Cleveland	\$14	\$10	\$7
Lexington	\$13	\$10	\$8
Cincinnati	\$13	N/A	\$7

Appendix B
Current Parking Rates at Indianapolis International Airport

Indianapolis Airport Authority

Economy Lot: \$7/daily
Long-Term Lot: \$11/daily
Parking Garage: \$16/daily or \$2 per ½ hour
Valet (Garage): \$10/ 4 hours
\$15/daily (rooftop)
\$18/daily (covered)

Indy Park Ride & Fly

Self-Park Rates: \$8/daily or \$48/weekly + 10% airport access fee
Valet Rates: \$11/daily or \$66/weekly + 10% airport access fee
Discounts: 10% for AAA members
10% for pre-booking 3 or more days
10% for IUPUI jagtag

Ace Rent-A-Car

Valet Rates: \$8/daily
Discounts: 1 day free with minimum 2 day stay (internet coupon)

Indianapolis Airport Authority – Rates at old Terminal thru Nov 2008

Economy Lot: \$6.50/daily
Tiger Lot: \$8/daily
Corporate Lot: \$9/daily
Parking Garage: \$22/daily

Average Daily Rate**

Old Terminal (thru Nov 2008) \$9.50
New Terminal (current) \$9.50
New Terminal (proposed) \$11.25

*** approximated and based on usage among various parking products*

**GENERAL ORDINANCE 3-2009
AMENDING
GENERAL ORDINANCE 4-2008**

WHEREAS, the Board (the "Board") of the Indianapolis Airport Authority (the "Authority") is authorized pursuant to I.C. 8-22-3-11 to adopt a schedule of reasonable charges, and to collect the same from all users of the Authority's airport facilities and services; and

WHEREAS, on September 19, 2008, the Board adopted General Ordinance 4-2008, which enacted reasonable charges for the use of the Authority's various airport facilities and services with effective January 1, 2009; and

WHEREAS, the Authority desires to amend General Ordinance 4-2008 to authorize the Executive Director/CEO to establish parking rates as necessary for the operation of the Indianapolis International Airport.

NOW THEREFORE, be it ordained by the Board of the Indianapolis Airport Authority that General Ordinance 4-2008 is amended as follows:

SECTION 1. REPLACE SECTION IV, SUBSECTION J, CONCERNING PUBLIC AND EMPLOYEE PARKING LOTS AS FOLLOWS:

Subsection J. Public and Employee Parking Lots

1. The Executive Director/CEO shall have authority to set fees for the use of the parking garage or parking lots at the Airport in a daily amount to not exceed 22.00.
2. The Executive Director/CEO shall have the discretion to develop and implement discount, incentive or other special programs for the Airport parking garage or lots that may have the effect of reducing the daily rates set forth under paragraphs 1 of this Section.

SECTION 2. All other provisions of General Ordinance 4-2008 shall remain in full force and effect except as herein amended.

SECTION 3 – EFFECTIVE DATE

This Ordinance shall be in full force and effect from and after its date of adoption.

Adopted this _____ day of _____, 2009.

INDIANAPOLIS AIRPORT AUTHORITY

Michael B. Stayton, President

Alfred R. Bennett, Secretary

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

I, Alfred R. Bennett, the duly elected, qualified Secretary of the Indianapolis Airport Authority, Indianapolis, Indiana, do hereby certify that the foregoing is a full, true and complete copy of an Ordinance adopted by the Board of the Indianapolis Airport Authority at a regular/special meeting of said Board held at its offices at Indianapolis International Airport on _____, 2009, and that said Ordinance has not been amended, rescinded or revoked.


WITNESS MY HAND AND THE OFFICIAL SEAL OF THE INDIANAPOLIS
AIRPORT AUTHORITY this _____ day of _____, 2009.

Alfred R. Bennett, Secretary



Indianapolis Airport Authority

Board Memo Rent Relief

To: IAA Board
From: Marsha Stone, CFO 
Date: August 18, 2009
Subject: Terminal Food & Beverage and Retail Concessionaire Rent Relief Recommendation

Background

The Authority executed new concession agreements for all terminal food & beverage and retail concession spaces in conjunction with the construction of the new Indianapolis Airport. The concession agreements are structured so that concessionaires pay the higher of a minimum annual guarantee (MAG) or percentage rent (a fixed percent multiplied by gross sales). As a result, the Authority is protected from downside risk with the MAG while being able to participate in any upside with percentage rent.

When the solicitation for concessions was issued in 2007, the Authority forecast 2009 enplanements to be approximately 4.4 million passengers with an equal split between concourse A and concourse B. The Authority is now estimating that 2009 will produce approximately 3.7 million enplaned passengers with two-thirds utilizing concourse B and one-third utilizing concourse A. As a result of the shortfall in total enplanements when compared to forecast and the disproportionate shortfall in concourse A, many of the concessionaires are significantly underperforming their initial pro formas and many are not breaking even on a cashflow basis. Several of these concessionaires have asked for rent relief given the state of passenger traffic at the airport. Through conversations and surveys conducted with other airports, rent relief is being pursued by concessionaires and implemented in many other locations throughout the country as well.

Goals

The Authority staff, in conjunction with the Finance and Audit Committee, has discussed the status of the food & beverage and retail concessionaires operating at the airport, and set the following goals:

- (1) Strive to avoid concession spaces going "dark" at the airport.
- (2) Treat the Authority's business partners on equal and consistent terms.
- (3) Preserve the Authority's financial interests.

Utilizing these guidelines, the Authority's retail department with the assistance of the finance department developed a strategy to provide short-term rent relief for all of the Authority's concessionaires.

Recommendation

The Authority staff is recommending, with the support of the Finance and Audit Committee, suspending the MAG for the terminal food & beverage and retail concessionaires for the period from August 1, 2009 through December 31, 2009. As a result, the concessionaires will pay only percentage rent. The net impact to the Authority is a reduction in rent of approximately \$800,000 for calendar year 2009 versus the contractually obligated amount and a reduction of about \$370,000 versus MAG.

In order to implement rent relief, the Authority staff is requesting that the Board delegate authority to the CEO to modify concession contract terms, including executing amendments and other relevant documents, for the purposes of providing rent relief.

It should be noted that in order to qualify for any rent relief, the concessionaire must be compliant with all provisions of the concession agreement and current on payments to the Authority. Also, although this recommendation provides short-term relief to the concessionaires, unless travel demand grows significantly for the remainder of 2009 and 2010, the concessionaires will be faced with similar financial difficulties in 2010 and will likely request additional rent relief. Staff will continue to update the Board on this matter.

RESOLUTION NO. 11-2009
RESOLUTION FOR THE DELEGATION OF AUTHORITY FOR 2009 TERMINAL FOOD
& BEVERAGE AND RETAIL CONCESSIONAIRE RENT RELIEF

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

WHEREAS, Indiana Code section 8-22-3-9 permits the Authority's Board of Directors (the "Board") to adopt a system of rules and procedures and supervise its internal affairs; and

WHEREAS, the Indianapolis Airport Authority ("Authority") has entered into terminal concessionaire food & beverage and retail use agreements ("Agreements"); and

WHEREAS, the Authority desires to amend Agreements for the purpose of implementing percentage only based use fees for a portion of 2009; and

WHEREAS, the Board considers it appropriate to delegate to the Executive Director/CEO authority to approve and sign amendments to Agreements;

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

(1) Delegate to the Executive Director/CEO the authority to approve and sign amendments to existing terminal concessionaire food & beverage and retail use agreements for the purpose of expediting the 2009 terminal concessionaire rent relief program.

This Resolution shall be in full force and effect from and after its date of adoption.

Adopted this 21st day of August 2009.

INDIANAPOLIS AIRPORT AUTHORITY

Michael B. Stayton, President

Alfred R. Bennett, Secretary

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

I, Alfred R. Bennett, the duly elected, qualified Secretary of the Indianapolis Airport Authority, Indianapolis, Indiana, do hereby certify that the foregoing is a full, true and complete copy of a Resolution adopted by the Board of the Indianapolis Airport Authority at a regular meeting of said Board held at its offices at Indianapolis International Airport on August 21, 2009, and that said Resolution has not been amended, rescinded or revoked.

WITNESS MY HAND AND THE OFFICIAL SEAL OF THE INDIANAPOLIS
AIRPORT AUTHORITY this _____ day of _____, 2009.

Alfred R. Bennett, Secretary

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 the Resolution adopted by the Indianapolis Airport Authority Board on the 21st day of August 2009.

Alfred R. Bennett
Secretary, IAA

IAA Board Meeting
Consent Calendar Agenda
August 21, 2009

Consider for approval:

A) General Business

- BP2009-08-1 A First Amendment to Building No. 7 Lease Agreement with Federal Express Corporation (FedEx). The Amendment provides for a term extension of one (1) year, commencing retroactive to January 1, 2009 and expiring December 31, 2009, at an annual rental of \$68,269.80.
- BP2009-08-2 A Third Amendment to Land and Special Facilities Lease Agreement with Federal Express Corporation (FedEx). The Amendment provides for the expansion of their leasehold, commencing retroactive to September 24, 2008 and expiring January 20, 2017.
- BP2009-08-3 A Second Amendment to Agreement with Hawker establishing the Primary Term and updating Assignment and Subletting language. The Primary Term shall commence on July 20, 2009 and terminate July 31, 2041.
- BP2009-08-4 The Electric Line Easement with the Indianapolis Power & Light Company (IP&L) for the installation of an underground electric line along North Perimeter Road.
- BP2009-08-5 The Electric Line Easement with the Indianapolis Power & Light Company (IP&L) for the installation of an underground electric line along West Perimeter Road.
- BP2009-08-6 The Electric Line Easement with the Indianapolis Power & Light Company (IP&L) for the installation of an underground electric line at Hawker's Beechcraft Services, Inc. (Hawker) new executive terminal.
- BP2009-08-7 The Office and Hangar Sublease Agreements between Signature Flight Support d/b/a Hawker's Beechcraft Line Services and Asphalt Material, Phoenix Fabricators & Erectors, Sun Development & Management Corporation, Hunt Aviation, Grace on Wings, Inc., Aero Care Medical Transport System and Merlin, Inc.

- BP2009-08-8 The Airport Use Permit with Skip Lee Vonhauger d/b/a Storm Concessions. This Airport Use Permit will commence August 24, 2009 and terminate August 23, 2011, with Storm Concessions paying eight percent (8%) of its monthly gross revenues to the Authority.
- BP2009-08-9 A partial grant reimbursement payment of \$279,861.40, for the previous activation of a seventh hangar bay to AAR Aircraft Services, Inc. per terms of the Lease Agreement executed June 17, 2004.
- BP2009-08-10 The Estoppel and Consent to Sublease Assumption by and between Hawker Beechcraft Services, Inc., Indianapolis Aviation Partners, LLC d/b/a Million Air and the Indianapolis Airport Authority.
- BP2009-08-11 The sale of 16.497 acres and associated improvements of the former ATA Airlines corporate headquarters facility to PWK Capital Investments in the sum of \$5,600,000.
- BP2009-08-12 The sale of 17.338 acres and associated improvements of various parcels to the INDOT for the sum of \$2,316,325.
- BP2009-08-13 A contract with BKD LLP, as reviewed and recommended by the Finance and Audit Committee, for the audit of the Indianapolis Airport Authority's financial statements and associated internal control and compliance reports as required under the U.S. Office of Management and Budget (OMB) Circular A-133 (Single Audit) for the year ended December 31, 2009 in an amount not-to-exceed \$135,000 plus incidental expenses. D/M/WBE 0%.

B) Capital Program

- BP2009-08-14 Plans and Specifications for Bid Package #I-09-033 - Belly Cargo/GSE Maintenance Building – Grading Package, as prepared by R.W. Armstrong & Associates, Inc., and authorize the public bidding process.
- BP2009-08-15 Plans and Specifications for – CIP Project # M-08-49 Fence Construction – Metropolitan Airport, as prepared by Durham Engineering, Inc., and authorize the public bidding process.
- BP2009-08-16 Plans and Specifications for – CIP/Project #I-05-019B.1 – SPCC Relievers - Eagle Creek Airpark Outfall 2, as prepared by Jacobi, Toombs and Lanz, Inc., and authorize the public bidding process.

- BP2009-08-17 Increase the Project Budget - Award CIP/Project #I-08-043-3041 - Updates to Program Office - Replace Roof to Nu-Tec Roofing Contractors, Inc., and Award Replace Heating, Ventilation, and Air Conditioning (HVAC) to R. E. Griesemer, Inc.
- BP2009-08-18 An award of contract for Installation of Air Curtains at the Ground Transportation Center to ERMCO, Inc. in an amount not-to-exceed \$64,295. ERMCO, Inc. was the lowest responsive and responsible bidder. D/WBE 0% and MBE 9.0% (A-Tech).
- BP2009-08-19 An amendment to the contract with Turner Trotter, LLC for Midfield Terminal Construction Management Services/Incentives in the lump sum amount of \$200,000. DBE 38% (Trotter Construction, Nubian Transportation), MBE 34% (Trotter Construction), and WBE 4% (Nubian Transportation).
- BP2009-08-20 Information Technology Systems Replacement Project, I-09-025, in an amount not to exceed \$1,860,200 and authorize staff to enter into sole source contract with IBM for Storage Area Network equipment and SAN implementation services. DBE 0%, MBE 23.23% (Technology Integration Group) WBE 1.64% (Netwise Resources).
- BP2009-08-21 Four (4) Change Order Requests per attached schedule - IND
- BP2009-08-22 Twenty-Four (24) Change Order Requests per attached schedule - Midfield
- C) Real Estate
- BP2009-08-23 A one (1) year Option Agreement with Historic Landmarks Foundation of Indiana, Inc. for the purchase of the Horace Reeve historic farmhouse.



Board Memo – Building Lease Agreement

To: IAA Board of Directors

From: Marsha Stone, Chief Financial Officer *MS*

Date: July 29, 2009

Board Date: August 21, 2009

Subject: First Amendment to Building No. 7 Lease Agreement with Federal Express Corporation

Background

Federal Express Corporation (FedEx) has leased a portion of the Authority's Building No. 7 since 2006 for the utilization of an aircraft parts storage facility. The building is ideally located in close proximity to their two aircraft hangar facilities.

Scope

This Amendment extends the term of the Agreement allowing FedEx to continue occupying this space. This Amendment is retroactive to January 1, 2009, due FedEx's lengthy legal review and approval process, as well as FedEx contemplating moving from this location.

Schedule

August 21, 2009: Execution of the First Amendment to Building No. 7 Lease Agreement with Federal Express Corporation.

Revenue and/or Operating Cost Implications

Revenue:

Annual revenue will remain at \$68,269.80.

Operating Costs:

Utilities for their Building Lease are paid by the Authority; however, FedEx is billed back for their pro rata share of utilities as this is a multi-tenant building.

Diversity Participation

Not applicable.

Recommendation

Consent to the First Amendment to Building No. 7 Lease Agreement with Federal Express Corporation (FedEx). The Amendment provides for a term extension of one (1) year, commencing retroactive to January 1, 2009 and expiring December 31, 2009, at an annual rental of \$68,269.80.



Board Memo – Land and Special Facilities Lease Agreement

To: IAA Board of Directors

From: Marsha Stone, Chief Financial Officer

Date: July 29, 2009

Board Date: August 21, 2009

Subject: Third Amendment to Land and Special Facilities Lease Agreement
with Federal Express Corporation

Background

As part of Federal Express Corporation's (FedEx) capital improvement program scheduled for Indianapolis; funds were approved to expand the employee parking lot located south of I-70. In 2008 FedEx exercised a portion of their "option land" to accommodate this expansion. The Third Amendment incorporates the addition to the lease premises.

Scope

This Amendment increases FedEx's leasehold via exercising a portion of their "option land" area. FedEx is responsible for all engineering and construction costs related to this project.

Schedule

August 21, 2009: Execution of the Third Amendment to Land and Special Facilities Lease Agreement with Federal Express Corporation.

Revenue and/or Operating Cost Implications

Revenue:

New incremental annual revenue will be \$34,803.25. Total annual revenue for the parking parcels will be \$353,918.40.

Operating Costs:

The Authority paid \$2,200.00 for the surveying of the expansion land to determine the lease boundaries and square footage; a normal practice in partnering with FedEx.

Diversity Participation

Not applicable.

Recommendation

Consent to the Third Amendment to Land and Special Facilities Lease Agreement with FedEx. The Amendment provides for the expansion of their leasehold, commencing retroactive to September 24, 2008 and expiring January 20, 2017.



Board Memo – Land Lease Agreement

To: IAA Board of Directors

From: Marsha Stone, Chief Financial Officer *MS*

Date: July 29, 2009

Board Date: August 21, 2009

Subject: Second Amendment to Land and Special Facilities Lease Agreement with Hawker's Beechcraft Services, Inc.

Background

In November 2007 the long term Lease Agreement with Hawker's Beechcraft Services, Inc. (Hawker) expired. Over the course of a year, the Property Department negotiated a new long term (32 years) Land and Special Facilities Lease Agreement (Agreement) which was executed by the Authority in February 2008. The new Agreement required Hawker to construct new facilities consisting of a new executive terminal, maintenance hangar and support shops; with a minimum investment of \$10,000,000 using Airport Special Facility Bonds. Additionally, Hawker retained three (3) existing hangars from the previous Agreement as part of their leasehold. Per the terms of the Agreement, upon completion of construction, Hawker and the Authority are to amend the Agreement establishing term commencement.

Shortly after the execution of the Agreement in February of 2008, Hawker sold their Fixed Based Operation (FBO) business (nationwide) to Signature Flight Support Corporation (Signature). This transaction created a monopoly for Signature at IND as they would be the sole owner of both FBO's at the Airport. The Department of Justice issued a Final Judgment ruling that Signature must sell one of their two FBO's at IND. Signature has entered into an Asset Purchase Agreement with Indianapolis Aviation Partners, LLC d/b/a Million Air for the purchase of the FBO residing in the Hawker leasehold. Million Air is a franchisee FBO with 25 locations throughout North America and headquartered in Houston TX. In addition to establishing Term commencement, as noted in the previous paragraph, this Amendment strengthens language within the Agreement relating to Assignment and Subletting pertaining to the sale and sublease of the FBO.

Scope

Hawker has been in the process of constructing new facilities as stated above over the past nine months. The facility has been completed and occupancy occurred on July 20, 2009. Additionally the FBO has been sold to Million Air with the sale expected to close by August 31, 2009.

Schedule

August 21, 2009: Execution of the Second Amendment to Land and Special Facilities Lease Agreement with Hawker's Beechcraft Services, Inc.

Revenue and/or Operating Cost Implications

Revenue:

New incremental annual revenue will be \$102,134.62. Total annual revenue for the entire leasehold will be \$448,212.62. Revenues will increase on the land rental portion every ten (10) years based on appraised value. Building rentals shall increase after twenty (20) years based on 12% of appraised value.

Operating Costs:

Not applicable.

Diversity Participation

Not applicable.


Recommendation

Consent to Second Amendment to Agreement with Hawker establishing the Primary Term and updating Assignment and Subletting language. The Primary Term shall commence on July 20, 2009 and terminate July 31, 2041.



Board Memo – Electric Line Easement

To: IAA Board of Directors

From: Marsha Stone, Chief Financial Officer 

Date: June 24, 2009

Board Date: August 21, 2009

Subject: Electric Line Easement with Indianapolis Power & Light Company

Background

PK IND, LLC (Paul Kite Co.) assumed the leasehold of the former ATA aircraft maintenance hangar and office space in June 2006. Paul Kite Co. has constructed facilities that have been subleased to Rolls Royce for a training facility and On-Wing Care (aircraft engine maintenance) on their leasehold. As part of the construction process, additional utility lines were required to provide electrical service to these facilities. Indianapolis Power & Light (IP&L) installed the electric line via a Right of Entry, with the easement finalizing this transaction.

Scope

IP&L is requesting the easement to be able to maintain electrical service to PK IND LLC's subtenants Rolls Royce and On-Wing Care Facilities. The easement will allow IP&L ingress and egress to ensure the power lines are maintained for proper transmission of electrical energy.

Schedule

August 21, 2009: Execution of the Electric Line Easement with Indianapolis Power & Light Company.

Revenue and/or Operating Cost Implications

Revenue:

There is no revenue associated with this Electric Line Easement.

Operating Costs:

There is no operating cost associate with this Electric Line Easement.

Diversity Participation

Not applicable.


Recommendation

Consent to the Electric Line Easement with IP&L for the installation of an underground electric line along North Perimeter Road.



Board Memo – Electric Line Easement

To: IAA Board of Directors

From: Marsha Stone, Chief Financial Officer 

Date: July 28, 2009

Board Date: August 21, 2009

Subject: Electric Line Easement with Indianapolis Power & Light Company

Background

As part of the Authority's capital improvement program a spillway was constructed, as required to meet the federal Spill Prevention Control and Countermeasure (SPCC) regulations. The SPCC is a plan to help prevent any discharge of oil into navigable waters. As part of the construction process, utility lines were required to provide electrical service to the pump for this system and Indianapolis Power & Light (IP&L) installed the electric line via a Right of Entry, with the easement finalizing this transaction.

Scope

IP&L is requesting the easement to be able to maintain electrical service; which operates the pump system for the SPCC project. The easement will allow IP&L ingress and egress to ensure the power lines are maintained for proper transmission of electrical energy.

Schedule

August 21, 2009: Execution of the Electric Line Easement with Indianapolis Power & Light.

Revenue and/or Operating Cost Implications

Revenue:

There is no revenue associated with this Electric Line Easement.

Operating Costs:

There is no operating cost associate with this Electric Line Easement.

Diversity Participation

Not applicable.


Recommendation

Consent to the Electric Line Easement with the Indianapolis Power & Light Company (IP&L) for the installation of an underground electric line along West Perimeter Road.



Board Memo – Electric Line Easement

To: IAA Board of Directors

From: Marsha Stone, Chief Financial Officer 

Date: July 29, 2009

Board Date: August 21, 2009

Subject: Electric Line Easement with Indianapolis Power & Light Company

Background

Hawker's Beechcraft Services, Inc. (Hawker) executed a Land and Special Facilities Lease Agreement for a new executive terminal, maintenance hangar and support shops located on the northeast quadrant of the Airport in February 2008. As part of the construction process, additional utility lines were required to provide electrical service to the new facilities. Indianapolis Power & Light (IP&L) installed the electric line via a Right of Entry, with the easement finalizing this transaction.

Scope

IP&L is requesting the easement to be able to maintain electrical service to Hawker's new executive terminal's leasehold. The easement will allow IP&L ingress and egress to ensure the power line is maintained for proper transmission of electrical energy.

Schedule

August 21, 2009: Execution of the Electric Line Easement with Indianapolis Power & Light

Revenue and/or Operating Cost Implications

Revenue:

There is no revenue associated with this Electric Line Easement.

Operating Costs:

There is no operating cost associate with this Electric Line Easement.

Diversity Participation

Not applicable.


Recommendation

Consent to the Electric Line Easement with IP&L for the installation of an underground electric line at the Hawker's Beechcraft Services, Inc. new executive terminal.



Board Memo – Office & Hangar Sublease Agreements

To: IAA Board of Directors

From: Marsha Stone, Chief Financial Officer 

Date: July 16, 2009

Board Date: August 21, 2009

Subject: Office and Hangar Sublease Agreements between Signature Flight Support d/b/a Hawker Beechcraft Line Services and Asphalt Material, Phoenix Fabricators & Erectors, Sun Development & Management Corporation, Hunt Aviation, Grace on Wings, Inc., Aero Care Medical Transport System and Merlin, Inc.

Background

Signature Flight Support d/b/a Hawker Beechcraft Line Services (Hawker) obtains a percentage of its revenue from subleasing offices and hangars to corporate users. The lease between Hawker and the Indianapolis Airport Authority requires the Authority's consent to sublease any portion of the Leased Premises. All sublessees intend to sublease space for storage of their aircraft.

As stated in Board Paper 2009-08-3 and Board Paper 2009-08-10, Signature Flight Support d/b/a Hawker has sold their Fixed Based Operation to Million Air; subsequently, the Sublease Agreements stated here within will transfer to Million Air.

Scope

The Authority does not receive any direct revenue from the Hawker subleases; however, indirect revenue will be received through fuel flowage fees from the subtenants. Additionally, Hawker does provide indemnification and liability insurance coverage directly to the Airport and per the terms of the Lease is responsible for their tenants and invitees on their Leased Premises.

Schedule

August 21, 2009: Execution of the following Office and Hangar Sublease Agreements between Signature Flight Support d/b/a Hawker Beechcraft Line Services:

- Asphalt Material, April 1, 2009 thru March 31, 2010
- Phoenix Fabricators & Erectors, May 1, 2009 thru April 30, 2010
- Sun Development & Management Corporation, May 1, 2009 thru April 30, 2010
- Hunt Aviation, April 1, 2009 thru March 31, 2010
- Grace on Wings, Inc., July 1, 2009 thru June 30, 2010
- Aero Care Medical Transport System, July 1, 2009 thru June 30, 2010
- Merlin, Inc., July 1, 2009 thru June 30, 2010

Revenue and/or Operating Cost Implications

Revenue:

There is no direct revenue associated with this agreement; however, indirect revenue will be received through fuel flowage fees from the subtenants.

Operating Costs:

There are no operating costs to be paid by the Authority.

Diversity Participation

Not applicable.

Recommendation


Consent to the Office and Hangar Sublease Agreements between Signature Flight Support d/b/a Hawker Beechcraft Line Services and the following:

- Asphalt Material, April 1, 2009 thru March 31, 2010
- Phoenix Fabricators & Erectors, May 1, 2009 thru April 30, 2010
- Sun Development & Management Corporation, May 1, 2009 thru April 30, 2010
- Hunt Aviation, April 1, 2009 thru March 31, 2010
- Grace on Wings, Inc., July 1, 2009 thru June 30, 2010
- Aero Care Medical Transport System, July 1, 2009 thru June 30, 2010
- Merlin, Inc., July 1, 2009 thru June 30, 2010



Board Memo – Airport Use Permit

To: IAA Board of Directors

From: Marsha Stone, Chief Financial Officer 

Date: July 16, 2009

Board Date: August 21, 2009

Subject: Airport Use Permit with Skip Lee Vonhaugher d/b/a Storm Concessions

Background

Skip Lee Vonhaugher d/b/a Storm Concessions (Storm Concessions) is a mobile food vendor that provides hot dogs, sausage, chips and soft drinks to patrons. Storm Concessions contacted the Authority Staff to obtain the necessary permit to provide these services to those individuals utilizing the cell phone lot waiting on arriving customers. There is no cost to the Authority and Storm Concessions will provide a service to those patrons that currently do not exist.

Scope

Storm Concessions has obtained all of the necessary permits from the Marion County Health Department to operate their business, has provided the proper amount of liability insurance and has paid a security deposit of \$200.00.

Schedule

August 21, 2009: Execution of the Airport Use Permit with Skip Lee Vonhaugher d/b/a Storm Concessions.

Revenue and/or Operating Cost Implications

Revenue:

Storm Concessions will pay the Authority a use fee of eight percent (8%) of its gross monthly sales. Annual revenues are estimated at \$300.00.

Operating Costs:

There are no operating costs to be paid by the Authority.

Diversity Participation

Not applicable.


Recommendation

Consent to the Airport Use Permit with Skip Lee Vonhauger d/b/a Storm Concessions. This Airport Use Permit will commence August 24, 2009 and terminate August 23, 2011, with Storm Concessions paying eight percent (8%) of its monthly gross revenues to the Authority.



Board Memo – Grant Reimbursement Payment

To: IAA Board of Directors

From: Marsha Stone, Chief Financial Officer 

Date: July 28, 2009

Board Date: August 21, 2009

Subject: Grant Reimbursement payment for a Seventh Hangar Bay Activation per Lease Agreement terms with AAR Aircraft Services, Inc. (AAR)

Background

Per Lease terms, the Authority is required to issue grant reimbursement payments to AAR for the previous activation of a seventh hangar bay in the total amount of \$750,000.00. The grant payments are used to reimburse AAR for tooling and equipment purchases.

Grant reimbursement requests are reviewed in advance of the expenditure and are audited in detail before being submitted to the Board for payment approval. Documentation includes copies of invoices and proof of payment

Currently, grant monies available to AAR total \$997,632.32, to which AAR is requesting a total of \$279,861.40, as noted in this Board Paper.

Scope

To date, AAR has received three prior reimbursement payments related to a seventh hangar bay activation totaling \$272,367.38. This paper requests a fourth partial payment in the amount of \$279,861.40, from the remaining grant monies.

The grants are charged to the capital budget.

Schedule

August 21, 2009: Approval by the Authority to issue payment of \$279,861.40, as the fourth payment for a seventh hangar bay activation Grant.

August 28, 2009 (approx): Installation of IAA Asset identification tags, execution of Assignment of Equipment documents transferring ownership to IAA and issuance of grant money to AAR.

Revenue and/or Operating Cost Implications

Revenue:

There is no additional revenue directly associated with the disbursement of these grant monies.

Operating Costs:

Annual operating costs associated with this payment are expected to be minimal as the equipment purchased by AAR is work platforms and have minimal maintenance requirements. Per Lease terms, the Authority has the maintenance obligation for tooling and equipment.

Diversity Participation

Not applicable.


Recommendation

Approve a partial grant reimbursement payment of \$279,861.40, for the previous activation of a seventh hangar bay to AAR Aircraft Services, Inc. per terms of the Lease Agreement executed June 17, 2004.



Board Memo – Estoppel and Consent to Sublease Assumption

To: IAA Board of Directors

From: Marsha Stone, Chief Financial Officer 

Date: August 5, 2009

Board Date: August 21, 2009

Subject: Estoppel and Consent to Sublease Assumption by and between Hawker Beechcraft Services, Inc., Indianapolis Aviation Partners, LLC d/b/a Million Air and the Indianapolis Airport Authority

Background

The Authority previously entered into a new long term Land and Special Facilities Lease Agreement with Hawker Beechcraft Services, Inc. (Hawker) in February 2008.

Shortly after this transaction, Hawker sold their Fixed Based Operation (FBO) business (nationwide) to Signature Flight Support Corporation (Signature). This transaction created a monopoly for Signature at IND as they would be the sole owner of both FBO's at the Airport. The Department of Justice issued a Final Judgment ruling that Signature must sell one of their two FBO's at IND. Signature has entered into an Asset Purchase Agreement with Indianapolis Aviation Partners, LLC d/b/a Million Air (Million Air) for the purchase of the FBO residing in the Hawker leasehold. Million Air is a franchisee FBO with 25 locations throughout North America and headquartered in Houston TX.

Scope

The Estoppel and Consent to Sublease Assumption document defines how the FBO will operate under the Land and Special Facilities Lease Agreement that the Authority has with Hawker.

Schedule

August 21, 2009: Estoppel and Consent to Sublease Assumption by and between with Hawker Beechcraft Services, Inc., Indianapolis Aviation Partners, LLC d/b/a Million Air and the Indianapolis Airport Authority.

Revenue and/or Operating Cost Implications

Revenue:

There is no new net revenue increase expected with the FBO business beyond what was originally budgeted for in 2009.

Operating Costs:

There are no operating costs to be paid by the Authority.

Diversity Participation

Not applicable.


Recommendation

Consider for approval Estoppel and Consent to Sublease Assumption by and between Hawker Beechcraft Services, Inc., Indianapolis Aviation Partners, LLC d/b/a Million Air and the Indianapolis Airport Authority.



Board Memo – Notice of Sale and Public Hearing

To: IAA Board of Directors

From: Marsha Stone, Chief Financial Officer 

Date: August 5, 2009

Board Date: August 21, 2009

Subject: Sale and Public Hearing of Former ATA Corporate Headquarters

Background

The Authority owns the buildings and land associated with the former ATA Airlines corporate headquarters facility. After ATA filed for bankruptcy and subsequently ceased operations in March 2008, the buildings were vacated in late 2008 and returned to the Authority. An appraisal was conducted May 2008 on the land/buildings establishing a value of \$5,500,000. The facilities were placed on the market for sale or lease with several inquirers and showings of the property. The Authority has entered into a Purchase Agreement with PWK Capital Investments in the amount of \$5,600,000.

Scope

The Authority has entered into a Purchase Agreement for \$5,600,000 for the sale of the former ATA headquarters facility and property in its entirety. Since a portion of the parcels were purchased with noise land grants from the FAA, a letter has been sent to the FAA requesting a land release relative to the associated parcels. The dollars associated with the grant funding will be reinvested in other projects per the FAA grant assurances guidelines. The closing is expected to take place on or before September 30, 2009.

Schedule

August 21, 2009: Public Hearing on disposal of 16.497 acres and improvements at 7337 W. Washington St. to PWK Capital Investments, LLC.

August 21, 2009: Approval of Land Sale consisting of 16.497 acres and improvements at 7337 W. Washington St. to PWK Capital Investments, LLC.

Revenue and/or Operating Cost Implications

Revenue:

Sales proceeds of \$5,600,000 will be deposited into the Authority's accounts. The FAA's share of proceeds, consisting of \$730,184, will be reinvested in eligible FAA Airport Improvement Program projects.

Operating Costs:

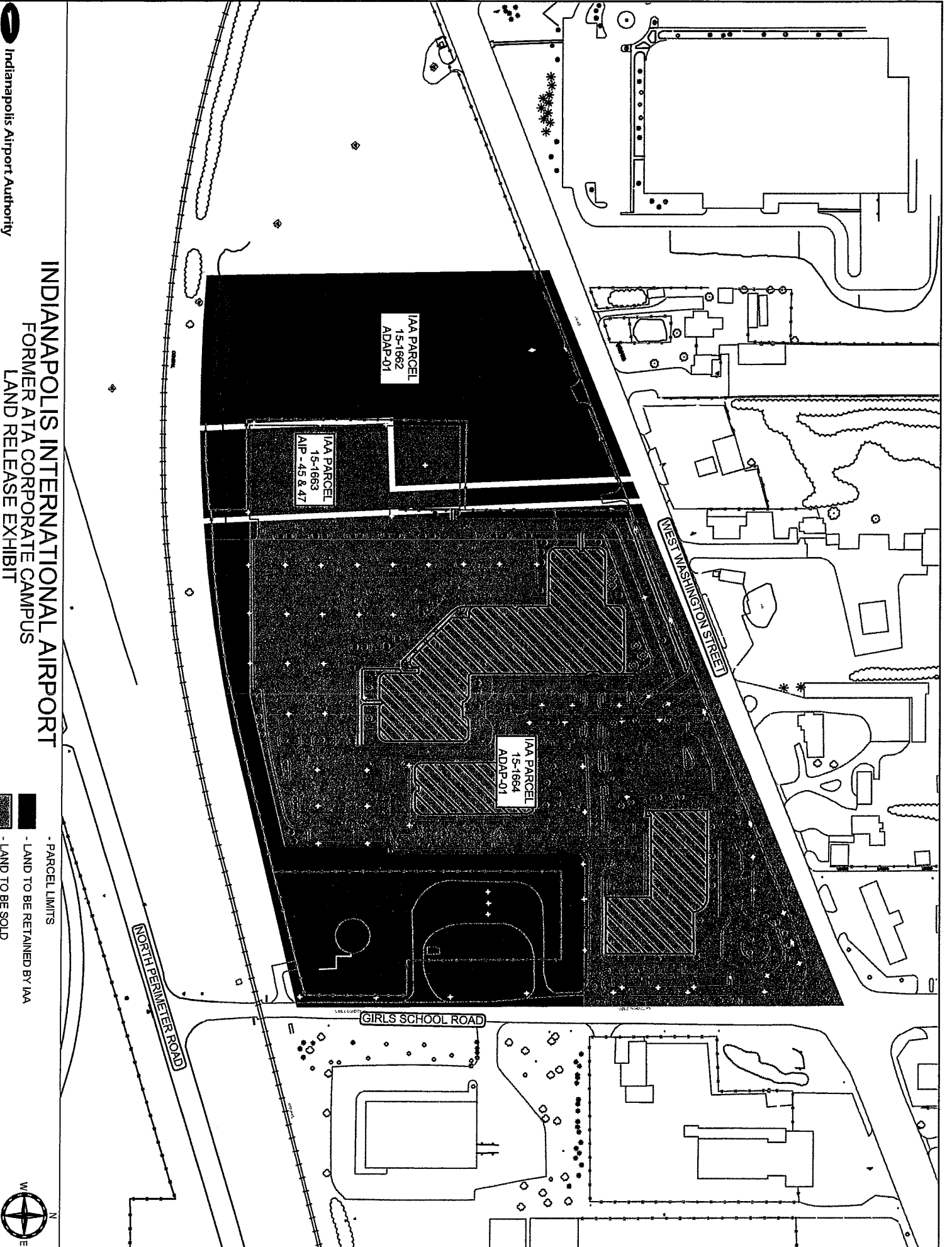
Not applicable.

Diversity Participation

Not applicable.

Recommendation

The IAA Staff has reviewed the Purchase Agreement and recommends that the Board approve the sale of 16.497 acres and associated improvements of the former ATA Airlines corporate headquarters facility to PWK Capital Investments in the sum of \$5,600,000.



IAA PARCEL
15-1662
ADAP-01

IAA PARCEL
15-1663
AIP-45 & 47

IAA PARCEL
15-1664
ADAP-01

WEST WASHINGTON STREET

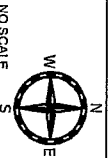
GIRLS SCHOOL ROAD

NORTH PERIMETER ROAD

INDIANAPOLIS INTERNATIONAL AIRPORT
FORMER ATA CORPORATE CAMPUS
LAND RELEASE EXHIBIT

Indianapolis Airport Authority


- PARCEL LIMITS
- LAND TO BE RETAINED BY IAA
- LAND TO BE SOLD





Board Memo – Notice of Sale and Public Hearing

To: IAA Board of Directors

From: Marsha Stone, Chief Financial Officer 

Date: July 29, 2009

Board Date: August 21, 2009

Subject: Sale of Land and Public Hearing to INDOT

Background

In 2006 the Indiana Department of Transportation (INDOT) started the “Accelerate I-465 Project”, which consists of adding lanes to each side of the interstate, rebuilding and expanding on/off ramps as well as rebuilding bridges. The project has now approached the airport corridor and will consist of three (3) phases, which will affect the following sections of the Airport near the old Terminal:

- Phase I – W. Washington St. south to Sam Jones Expressway
- Phase II – I-70/I-465 (interchange) south to Hanna Avenue
- Phase III – Sam Jones Expressway south to I-70/I-465 (interchange)

For all three Phases of construction, the Authority granted a Right of Entry to INDOT in order to keep their construction schedule on time. Construction of Phase I and II of the project have commenced and are scheduled to be completed in mid 2010. Phase III construction will begin spring of 2010, with completion schedule for late 2011. The IAA will be selling 17.338 acres of land to INDOT to support the “Accelerate I-465” project as stated above.

Scope

The Authority has agreed on the appraised value of \$2,316,325 for the sale of various parcels and associated improvements including two billboard structures. Since a portion of the parcels were purchased with noise land grants from the FAA, a letter has been sent to the FAA requesting a land release relative to the associated parcels. The dollars associated with the grant funding will be reinvested in other projects per the FAA grant assurances guidelines. The closing is expected to take place on or before September 30, 2009.

Schedule

August 21, 2009: Public Hearing on disposal of 17.338 acres and improvements of various parcels located along I-465 to the Indiana Department of Transportation.

August 21, 2009: Approval of Land Sale consisting of 17.338 acres and improvements of various parcels located along I-465 to the Indiana Department of Transportation.

Revenue and/or Operating Cost Implications

Revenue:

Sales proceeds of \$2,316,325 will be deposited into the Authority's accounts. The FAA's share of proceeds, consisting of \$569,742, will be reinvested in eligible FAA Airport Improvement Program projects.

Operating Costs:

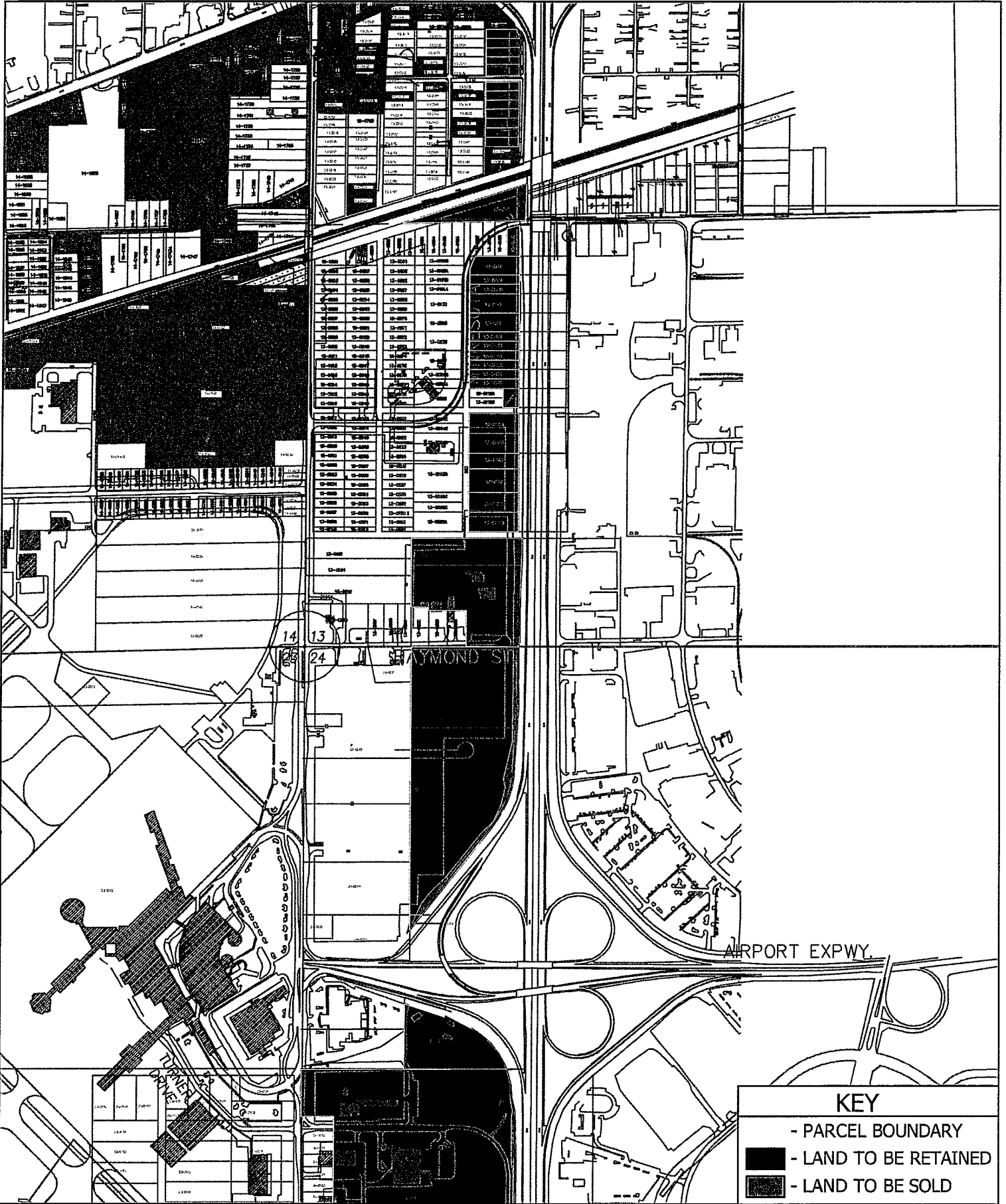
Not applicable.

Diversity Participation

Not applicable.

Recommendation

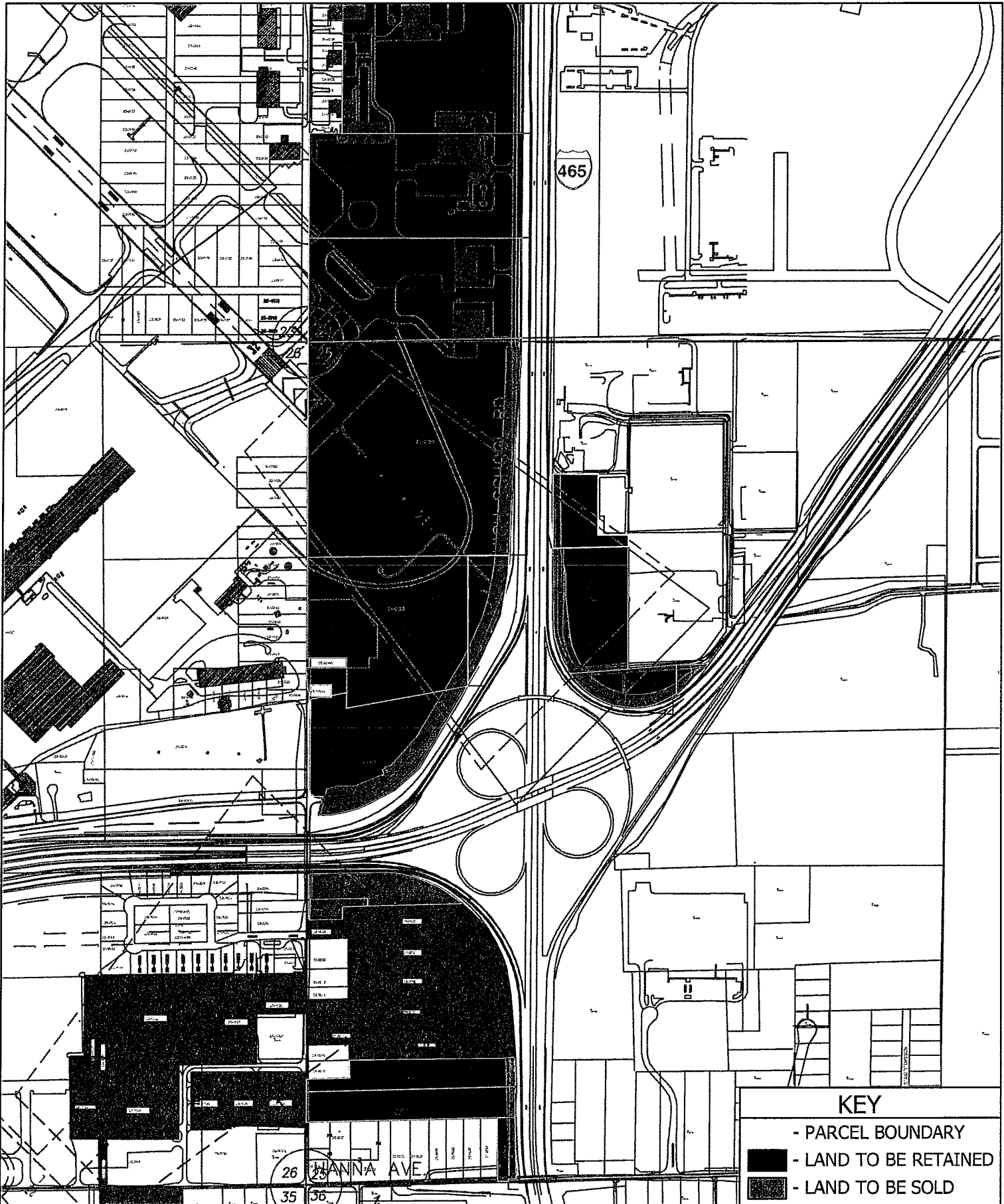
The Authority staff has reviewed the appraisals and recommends that the Board approve the sale of 17.338 acres and associated improvements of various parcels to the INDOT for the sum of \$2,316,325.



INDIANAPOLIS INTERNATIONAL AIRPORT
INDOT I-65 LAND RELEASE
PARCEL MAP

KEY

- PARCEL BOUNDARY
- LAND TO BE RETAINED
- LAND TO BE SOLD



KEY


- PARCEL BOUNDARY
- LAND TO BE RETAINED
- LAND TO BE SOLD

INDIANAPOLIS INTERNATIONAL AIRPORT
INDOT I-465 LAND RELEASE
PARCEL MAP



Board Memo – Contract

To: IAA Board of Directors

From: Marsha Stone, Chief Financial Officer 

Date: July 30, 2009

Board Date: August 21, 2009

Subject: Contract with BKD LLP for the audit of the Indianapolis Airport Authority's financial statements for the year ended December 31, 2009

Background

BKD LLP has been the external audit firm responsible for the audit of the Indianapolis Airport Authority's financial statements for 46 years.

Scope

BKD has proposed a fee of \$135,000, which is below the \$155,000 in fees charged to complete the 2008 audit. The fee reduction is directly attributed to 130 hours of IAA Internal Audit staff time being dedicated to the 2009 audit.

Schedule and Staffing

Interim work for the audit is scheduled to begin in late 2009, while field work for the audit is scheduled to begin early February 2010 and continue through March 2010. BKD has committed to utilize staff at all levels of this engagement with governmental auditing experience, and with the expectation that most (if not all) of the staff on this engagement also have previous experience in auditing the Indianapolis Airport Authority.

Recommendation

Based on the experience and qualifications demonstrated historically by BKD, the IAA staff has reviewed the proposal from BKD LLP and recommends that the Board:

Consider for approval a contract with BKD LLP, as reviewed and recommended by the Finance and Audit Committee, for the audit of the Indianapolis Airport Authority's financial statements and associated internal control and compliance reports as required under the U.S. Office of Management and Budget (OMB) Circular A-133 (Single Audit) for the year ended December 31, 2009 in an amount not-to-exceed \$135,000 plus incidental expenses. D/M/WBE 0%.



Board Memo – Plans & Specs Approval

To: IAA Board of Directors

From: Robert A. Duncan, Chief Operating Officer 

Date: July 22, 2009

Board Date: August 21, 2009

Subject: Approval of Plans and Specifications for Bid Package #I-09-033 - Belly Cargo/GSE Maintenance Building – Grading Package and Authorize the Bidding Process

Background

The project definition for the Midfield Terminal Project included the concept of a belly cargo building. Following discussions with the airlines to finalize the Midfield Project scope, the belly cargo building was deferred. In 2008, several airlines asked the IAA to initiate the project; and the airlines gave formal approval in the summer. In order to reduce IAA costs, the Midfield Team explored the option of a design-build-lease to own contract in accordance with the Indiana Code. The estimates received for this option were higher than expected and the project was deferred until the opening of the new terminal. The project is now proceeding using the conventional design-bid-build method. The location of the building is depicted on the attached aerial.

The belly cargo building will increase airfield safety because tugs currently cross the airfield from the east to the west and cross taxiways and a runway. The FAA Runway Safety Action Team recently noted this condition during its 3 day runway safety initiative this Spring. The cost of the project will be offset by lease payments made by the airline tenants.

The facility will also house ground support equipment (GSE) maintenance operations. GSE includes the airlines' belt loaders, baggage carts, tugs, push tractors, personnel transportation vehicles, lavatory trucks, ground power units, portable air-conditioning units, maintenance trucks and other vehicles that are needed to support the airline operations at the gates. Currently, light maintenance of GSE is predominantly handled by the airlines at their lease space in the terminal and for major work the equipment is hauled off airport.

In order to construct the Belly Cargo/GSE Maintenance Facility in a timely manner, the project was broken into two packages. The grading package will allow the earthwork to be accomplished in late 2009. This will be followed by a second package that will concentrate on site utilities, paving, and building construction and permit the facility to open in June 2010.

Special Note: Due to the bid opening date, September 11, 2009, for this package, the name of the lowest responsive and responsible bidder and diversity participation will not be available at the time the board papers are prepared for the September 18th meeting. In your September board materials you will receive a board paper recommending the award of contract for this package which will be updated and sent to you on September 15th with the identity of the successful bidder and minority business participants in the project.

Scope

R.W. Armstrong & Associates, Inc. was selected from a Request for Proposal to provide design services for the project. They have prepared plans and specifications for the first bid package, grading. This project provides for completing the site work in 2009 in order to facilitate construction of the building in 2010 with completion in June 2010.

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

Schedule

Pre-Bid Meeting	September 1, 2009	Time: 10:00 a.m.	Location: PO, Conf Rm 1
Bid Opening	September 11, 2009	Time: 10:00 a.m.	Location: PO, Conf Rm 1

Est. Contract Award (Board Mtg) September 18, 2009

Work on the first bid package is expected to start September 2009 and the substantial completion date is expected to be December 31, 2009.

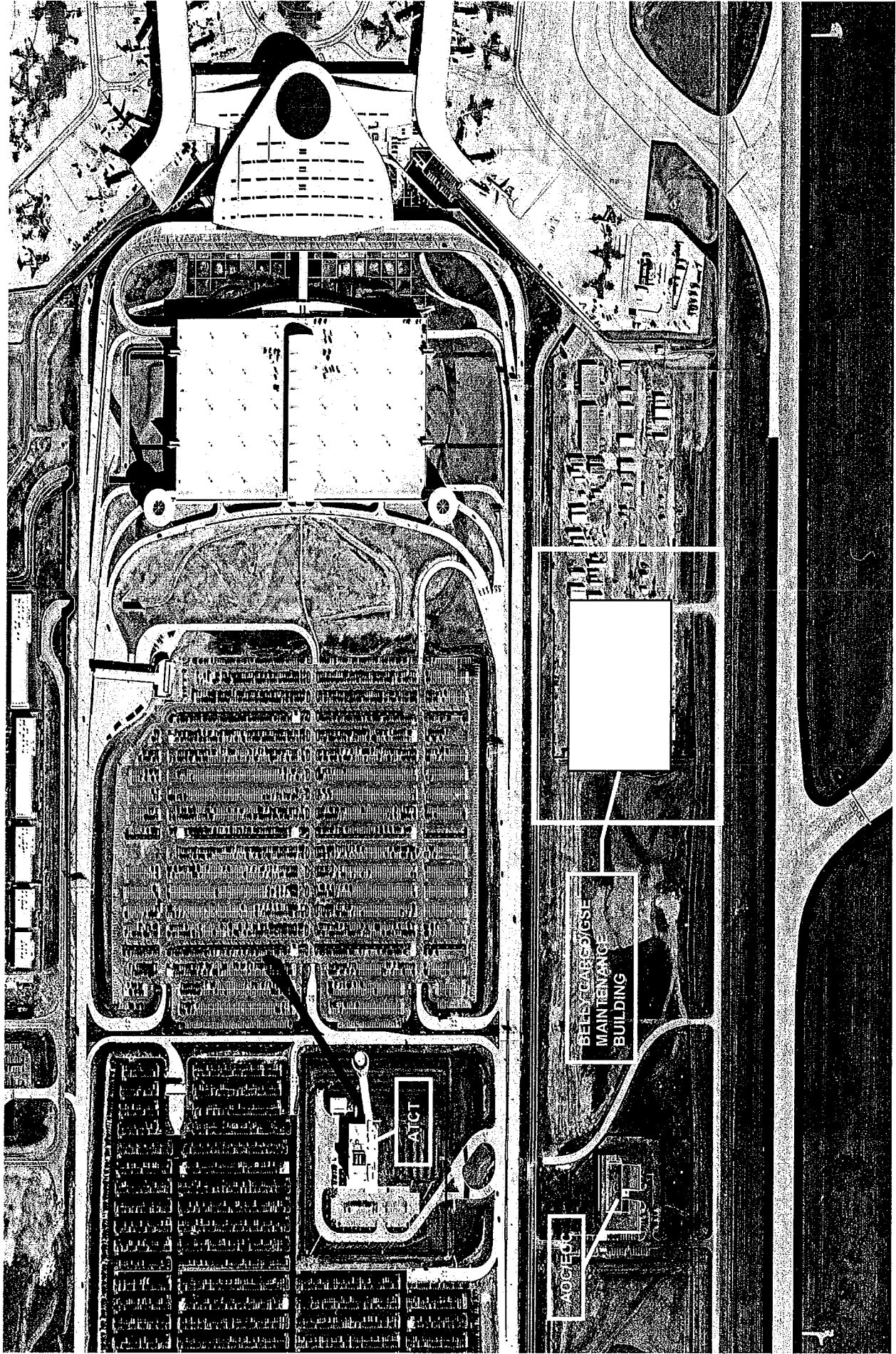
Diversity Participation

The Diversity Director has conferred with the IAA staff and they estimate the opportunities for XBE% involvement on this project to be 14% DBE, 9% MBE and 5% WBE. The IAA staff and the Diversity Director are working with the community on this upcoming package to reach or exceed these targeted goals.

Recommendation


The IAA staff has reviewed the bid documents and recommends that the Board:

Consider for approval Plans and Specifications for Bid Package #I-09-033 - Belly Cargo/GSE Maintenance Building – Grading Package, as prepared by R.W. Armstrong & Associates, Inc., and authorize the public bidding process.





Board Memo - Plans & Specs Approval

To: IAA Board of Directors 

From: Robert A. Duncan, Chief Operating Officer

Date: July 23, 2009

Board Date: August 21, 2009

Subject: Approval of Plans and Specifications for - CIP Project # M-08-49 Fence Construction – Metropolitan Airport and Authorize the Public Bidding Process

Background

The Metropolitan Airport currently has a 4 ft. farm field fence along its eastern boundary which does not adequately deter wildlife, unauthorized personnel or vehicles. In order to enhance the airfield safety and security, this project will install 6,000 LF of 10 ft. security fencing along the eastern boundary of the airport. This will serve as a deterrent to wildlife and also impede unauthorized personnel and vehicle access to the airfield areas.

This project was Board approved on February 20, 2009 (list of CIP Projects).

Scope

This package provides for the installation of security fencing at Metropolitan Airport. The IAA is currently coordinating with the FAA for additional funding which would allow the total length of fencing to be increased. This additional fencing will be included in the bid documents as an alternate bid item.

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

Schedule

Drawings Issued	August 25, 2009		
Pre-Bid Meeting	September 1, 2009	Time: 10:00 am	Location: PO, Breakroom
Bid Opening	September 10, 2009	Time: 10:00 am	Location: PO, Conf Rm 1

Est. Bid Award (Board Mtg) October 16, 2009

Work is expected to start in October 2009 and be substantially complete by November 30, 2009.

Diversity Participation

The Diversity Director has conferred with the IAA staff and they estimate the opportunities for XBE% involvement on this project to be DBE 14%, MBE 9% and WBE 5%. The IAA staff and the Diversity Director are working with the community on this upcoming package to reach or exceed these targeted goals.

Recommendation


The IAA staff has reviewed the bid documents and recommends that the Board:

Consider for approval Plans and Specifications for – CIP Project # M-08-49 Fence Construction – Metropolitan Airport, as prepared by Durham Engineering, Inc., and authorize the public bidding process.



Board Memo - Plans & Specs Approval

To: IAA Board of Directors

From: Robert A. Duncan, Chief Operating Officer 

Date: July 20, 2009

Board Date: August 21, 2009

Subject: Approval of Plans and Specifications for - CIP/Project # I-05-019B.1 SPCC Relievers - Eagle Creek Airpark Outfall 2 and Authorize the Public Bidding Process

Background

The U.S. Environmental Protection Agency's (EPA) Spill Prevention Control and Countermeasure (SPCC) regulations address oil handling and storage operations and have been in effect since 1974. USEPA revised the regulations five times, most recently in 2006.

CIP I-05-019B consists of projects at three Reliever Airports and was approved by the Board on May 4, 2006. Work was performed beginning in 2008 for SPCC related improvements at Eagle Creek Airpark, Metropolitan Airport and Mt. Comfort Airport. One final portion of this project remains, an oil/water separator at Eagle Creek Airpark Outfall 2. This project was delayed beyond 2008 pending development plans by the Fixed Base Operator. The Fixed Base Operator has not moved forward with his development and IAA needs to construct an oil/water separator to meet the SPCC compliance date of November 2010.

Scope

This package provides for the installation of an oil/water separator at Eagle Creek Airpark's Outfall 2.

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

Schedule

Drawings Issued: August 25, 2009

Pre-Bid Meeting: September 1, 2009 Time: 10:00 am Location: PO, Breakroom

Bid Opening: September 22, 2009 Time: 10:00 am Location: PO, Breakroom

Est. Bid Award (Board Mtg) October 16, 2009

Work is expected to start in October 2009 and be substantially complete by March 31, 2010.

Diversity Participation

The Diversity Director has conferred with the IAA staff and they estimate the opportunities for XBE% involvement on this project to be 14% DBE, 9% MBE and 5% WBE. The IAA staff and the Diversity Director are working with the community on this upcoming package to reach or exceed these targeted goals.

Recommendations


The IAA staff has reviewed the bid documents and recommends that the Board:

Consider for approval Plans and Specifications for – CIP/Project #I-05-019B.1 – SPCC Relievers - Eagle Creek Airpark Outfall 2, as prepared by Jacobi, Toombs and Lanz, Inc., and authorize the public bidding process.



Board Memorandum – Contract Award

To: IAA Board of Directors

From: Robert A. Duncan, Chief Operating Officer 

Date: July 20, 2009

Board Date: August 21, 2009

Subject: Increase the Project Budget - Award CIP/Project #I-08-043-3041 – Updates to Program Office - Replace Roof to Nu-Tec Roofing Contractors, Inc., and Award Replace Heating, Ventilation, and Air Conditioning (HVAC) to R. E. Griesemer, Inc.

Background

Due to the age of the building and the fact that no major mechanical upgrades were made before or since the New IND tenants moved in, the facility is in need of roof replacement, Heating, Ventilating, and Air Conditioning unit replacements, and replacement of the Uninterruptible Power Supply (UPS) for emergency circuitry.

On April 17, 2009, the Board approved plans and specifications for CIP/Project #I-08-043-3041 – Updates to Program Office, Replace Roof, Replace HVAC, Replace Uninterruptible Power Supply and authorized the public bidding process. A contract to replace the UPS was awarded to ERMCO on July 17, 2009.

On June 18, 2009, IAA Staff received five (5) bids ranging from \$117,000 to \$217,000 to replace the roof.

On June 18, 2009, IAA staff received five (5) bids ranging from \$704,000 to \$989,800 for the replacement of HVAC Base Bid plus Alternates 1, 2, and 3. The low bid was considered non-responsive because the contractor did not sign the contract signature page. The second low bid of \$825,000 is considered to be the lowest responsive and responsible bid to replace the HVAC.

The approved CIP budget for the project is \$1,050,299. The first two contracts were at or below the consultant's estimate; however, the HVAC portion of the project exceeded the engineer's estimate due to the complexity of the project and unknown issues within the building.

The combination cost of the three contracts plus engineering costs and minimal contingencies has required a 10% increase in the project budget to \$1,155,328.

Scope

The scope for replacement of the roof includes: remove flashings, roofing material, and water damaged insulation and replace with a new fully adhered roofing system including a new cover board, new membrane, and new flashings.

The scope for replacement of the HVAC includes: replace 36 HVAC units, one chiller, two boilers, the associated pumps, piping, etc., and add alternates 1, 2, and 3 to replace the piping system, install DDC Controls, and replace two cooling units for the server room, respectively.

Schedule

Work to replace the roof is expected to start September 2009 with a substantial completion date of November 1, 2009. Work to replace the HVAC is expected to start September 2009 with a substantial completion date of March 31, 2010. The HVAC equipment has a lead time of 8 to 12 weeks, and the equipment will be installed after regular work hours and will require substantial preparation time covering work stations, protecting floors, removing and storing ceiling tile and grid, and clean-up at the end of each shift.

Diversity Participation

The Diversity Director reviewed Nu-Tec Roofing’s Diversity Program on July 13, 2009 and has approved the DBE/MBE/WBE participation verification report. It is the Diversity Director’s opinion that Nu-Tec Roofing Contractors, Inc. demonstrated good faith efforts in their attempt to reach the MBE goal of 9% and WBE goal of 5%.

FIRM	CLASSIFICATION	AMOUNT	%
Pinnacle Construction Materials	MBE	10,500	8.97
JMH Roofing Company, Inc.	WBE	5,850	5.00
Totals	DBE	0	0
	MBE	10,500	8.97
	WBE	5,850	5.00

The Diversity Director reviewed R.E. Griesemer, Inc.’s Diversity Program on August 6, 2009 and has approved the DBE/MBE/WBE participation verification report. It is the Diversity Director’s opinion that R.E. Griesemer, Inc. demonstrated good faith efforts in their attempt to reach the MBE goal of 9% and WBE goal of 5%.

FIRM	CLASSIFICATION	AMOUNT	%
PKS Construction	WBE	\$10,000	1.21
Crew Technical Services	WBE	\$13,000	1.58
Finch Constructors, Inc.	MBE	\$59,196	7.18
Totals	DBE	0	0
	MBE	\$59,196	7.18
	WBE	\$23,000	2.79

Recommendation


The IAA staff has reviewed the bids and recommends that the Board:

- Consider for approval an increase in the project budget from \$1,050,299 by \$105,029 to \$1,155,328.
- Consider for approval an award of contract for CIP/Project #I-08-043-3041-A – Updates to Program Office, Replace Roof to Nu-Tec Roofing Contractors, Inc. in an amount not-to-exceed \$117,000.00. Nu-Tec Roofing Contractors, Inc. was the lowest responsive and responsible bidder. DBE 0%, MBE 8.97% (Pinnacle Construction Materials), and WBE 5.00% (JMH Roofing Company, Inc.)
- Consider for approval an award of contract for CIP/Project #I-08-043-B – Updates to Program Office, Replace HVAC to R. E. Griesemer, Inc. in an amount not-to-exceed \$825,000. R.E. Griesemer, Inc. was the lowest responsive and responsible bidder. DBE 0%, MBE 7.18% (Finch Constructors, Inc.), and WBE 2.79% (PKS Construction Company and Crew Technical Services)



Board Memorandum – Contract Award

To: IAA Board of Directors

From: Robert A. Duncan, Chief Operating Officer 

Date: July 7, 2009

Board Date: August 21, 2009

Subject: Award of Contract to ERMCO, Inc. for the Installation of Air Curtains at the Ground Transportation Center (Betterment Project #B-01)

Background

During the winter months following opening of the Terminal, the Rental Car Agencies in the Ground Transportation Center (GTC) complained that the temperature in the GTC was cold. The heating system was operating as designed but the high level of pedestrian traffic from Baggage Claim through the GTC was allowing heat to escape as doors opened and closed.

The recommended solution is to install air curtains at all five (5) door locations on the First Floor (one (1) on North, one (1) on South, two (2) on West, and one (1) on East doors) and at two (2) locations at the entryway between the Garage and Pedestrian Bridge to resolve the cold air issue in the GTC. The air curtains provide an air barrier to reduce the influx of outside air.

On June 18, 2009, a request for quotes for the installation of Air Curtains at the GTC was issued to nine (9) contractors.

On July 7, 2009, IAA Staff received three (3) quotes ranging from \$32,991 to \$72,366. The lowest quote from Overhead Door (\$32,991) was non-responsive as it did not include any of the electrical scope contained in the plans. The next lowest quote was submitted by ERMCO, Inc. (\$64,295).

Scope

The scope is for installation of seven (7) GTC Air Curtains which will be located above each of the five (5) outside doors entrances in the GTC on the First Level, and the two (2) outside doors on Level Three. This will include the mechanical installation of the curtains, a connection to each curtain of 480v power from existing power panels, and the wiring connection from each curtain to the Building Management System (BMS) with the associated software changes to control the air curtain units. Each curtain will also require the installation of a door switch to the existing door and wiring the switch to the air curtain as part of the control system.

Schedule

Work is expected to start August 2009 with a substantial completion date of October 31, 2009.

Diversity Participation

The Diversity Director has approved the following:

FIRM	AMOUNT			%		
	DBE	MBE	WBE	DBE	MBE	WBE
Advanced Technologies in Electrical (A-Tech)		\$5,787		0	9%	0
Totals		\$5,787		0	9%	0

Recommendation


The IAA staff has reviewed the quotes and recommends that the Board:

Consider for approval an award of contract for Installation of Air Curtains at the Ground Transportation Center to ERMCO, Inc. in an amount not-to-exceed \$64,295. ERMCO, Inc. was the lowest responsive and responsible bidder. D/WBE 0% and MBE 9.0% (A-Tech).



Board Memo – Amendment

To: IAA Board of Directors

From: Robert A. Duncan, Chief Operating Officer 

Date: July 15, 2009

Board Date: August 21, 2009

Subject: Approval of Amendment #6 with Turner Trotter, LLC for Construction Management Services/Incentives for the Midfield Terminal Program

Background

On April 1, 2005 the Board signed a contract with the Joint Venture Turner Trotter, LLC for landside construction management services for the Midfield Terminal Program. The joint venture was selected through a request for proposal process.

The contract provides for two incentives to the Construction Manager for cost avoidance savings to the IAA as follows:

1. On a shared basis of 70% to the IAA and 30% to Turner Trotter, LLC not-to-exceed \$200,000 from reductions in overall personnel staff costs from the amount shown in the contract.
2. On a shared basis of 80% to the IAA and 20% to Turner Trotter, LLC not-to-exceed \$200,000 from avoiding contingency expenditures of a \$1,000,000 allocation for the Parking Garage projects due to any changes to the construction contracts excluding IAA directed scope changes and errors or omissions by the Architects or Engineers.

After reviewing the performance of the Construction Manager per the contract, Turner Trotter, LLC has earned a total of \$200,000 of the \$400,000 available.

Scope

The scope of this amendment consists of the payment per the contract for the amount of incentives earned by the Construction Manager.

Schedule

The term of this amendment is expected to begin **upon approval** and conclude **September 21, 2009**.

Recommendation

The IAA staff has reviewed the contract and recommends that the Board:


Consider for approval an amendment to the contract with Turner Trotter, LLC for Midfield Terminal Construction Management Services/Incentives in the lump sum amount of \$200,000. DBE 38% (Trotter Construction, Nubian Transportation), MBE 34% (Trotter Construction), and WBE 4% (Nubian Transportation).



Indianapolis Airport Authority

Board Memo – Special Procurement

To: IAA Board of Directors

From: Jennifer R. Tillman, Special Projects Officer 

Date: July 31, 2009

Subject: Information Technology Systems Replacement Project (CIP #I-09-025)

Background

Today there are servers and communication equipment at the old terminal which IAA staff connect to and use on a daily basis. IAA management has recently determined that it is not financially feasible or prudent to continue to maintain or operate the old 2500 South High School Road facility. In response to the IAA's desire to completely vacate the old terminal as quickly as possible, the IT team has combined several capital improvement projects to manage as a single project called Information Technology Systems Replacement (ITSR). This project will replace and relocate systems currently located at the old administration building so that the power can be turned off by year end, and the facility can be mothballed.

The majority of the systems to be upgraded or replaced are commonly referred to as "back office systems" and are required to support the effective day to day operations and administration of the Indianapolis airport system. None of these existing "back office" systems were designed or upgraded as part of the New Indianapolis Airport Program.

The Information Technology Systems Replacement (ITSR) project will replace and upgrade information technology systems that have exceeded their useful life or are at the end of their useful life. The project will replace aged servers and will implement technology systems that will increase storage capacity, provide redundancy for these back office, administrative systems, increase the up time and availability of all systems which are part of this refresh project, and provide IND IT staff the ability to retain and recover data much quicker than is possible today.

This project includes upgrading and replacing systems and migrating data on systems which currently support IAA email for over 400 users, IND financial records and accounting functions, ADP payroll and human resources records, and servers used for IAA staff's work files, printers, etc. The software to be upgraded includes Microsoft Exchange, Symantec anti-virus, network monitoring for the Local Area Networks

(LANs), security applications for the LANs, and Payment Card Industry (PCI) compliance for credit card processing by the Parking Department. The average age of the servers and equipment to be replaced or upgraded is five years. By replacing the equipment under this project, IND IT will be able to plan for and return to a more routine lifecycle replacement program that replaces equipment before a critical failure occurs or stops providing the business a benefit due to the age of the technology.

Scope

In the interest of efficiency and economy, Indiana Code 5-22-10-14 allows for the purchase of goods and services off the State of Indiana's Quantity Purchase Agreements (QPAs) and the Federal government's GSA program. In order to meet the IAA Board's desire to vacate the old terminal as soon as possible, this project provides for the purchase of goods and services under the QPA and the GSA. By purchasing goods and services using standard terms and conditions/contracts negotiated by the State or Federal government, local units of government like the IAA can reap the benefits of the larger political bodies' purchasing volume and can reduce the length of time associated with public bidding as well as the length of time dedicated to contract negotiations. Therefore, nearly all of the equipment, licenses, and software in this project will all be purchased off the State of Indiana's QPA or the Federal government's GSA list. One exception will be for the installation of the Storage Area Network (SAN). The hardware to be purchased is on the GSA list, however configuration and installation services are not. The IAA does not employ staff with the highly technical skills required to configure and install the new SAN nor do we recommend assuming the risk of improperly installing such an expensive piece of equipment. Staff recommends that a new IBM SAN be procured so that it is compatible with the SAN equipment which was installed during the new Indianapolis Airport project thereby allowing the IT department to have a single vendor for all SAN equipment and one type of SAN to manage and maintain. Therefore, in accordance with IC 5-22-10-7, staff requests Board approval for a declaration that sole source contract with IBM is warranted for the purchase of an IBM SAN and related implementation services of said equipment.

Staff also recommends that implementation services such as data migration, server configuration, and testing services to support "going live" be procured through Dell's QPA with the State of Indiana. These implementation tasks are not routinely performed by IND IT staff; therefore, staff recommends utilizing professionals that have extensive experience with these services to increase the likelihood of a successful and quick implementation while also minimizing the impact and risk to the operation of the business.

Fiscal Impact

The 2009 Capital Improvement Budget has allocated \$1,860,200 for completion of the CIP projects included in this proposal. The project costs are currently estimated to total \$1,502,000; however, there are two other project components still under review and pricing consideration. These project elements include the relocation of airport and airline UHF and VHF radio antennas and equipment from the old terminal as well as fiber termination/splicing on the east side of the campus for continued utilization of the old ACS and CCTV system. Staff anticipates that these elements will utilize the remaining project budget dollars bringing the total project cost to approximately \$1,850,000.

If the ITSR project is not approved, on going utility costs of \$1,440,000 (\$120,000 per month) must be budgeted for 2010 in addition to an unknown amount of operational and maintenance costs.

Schedule

Board approval of Project	August 21, 2009
Execution of Purchase Orders with vendors	August 24, 2009
Servers built, configured, staged and delivered	September 2009
Installation and migration services	October – mid-November 2009
Final testing and commissioning	mid-November through mid-December
Discontinuation of IT services from old terminal	December 31, 2009

Diversity Participation

At the time of this paper, final approval by IAA Diversity Director is still pending however, the diversity participation for the above portion of the work is anticipated to be no less than 24.87%. All of the Dell hardware in the ITSR project will be purchased off Dell’s State of Indiana QPA 10029, through Technology Integration Group (TIG) a State of Indiana certified Minority Business Enterprise (MBE). This purchase amounts to nearly \$300,000 or 68% of the total hardware to be procured. TIG will also provide installation services based on the Dell QPA amounting to approximately \$72,000 or 23% of the total installation services budget. Netwise Resources, a certified Minority and Women-owned Business Enterprise (M/WBE) in the State of Indiana, will provide installation services through the same Dell QPA totaling approximately \$24,000 or 8% of the services provided through this project.

Currently the XBE commitment for the ITSR project is as follows:

FIRM	AMOUNT			%		
	DBE	MBE	WBE	DBE	MBE	WBE
Technology Integration Group (TIG) - Services	-	\$41,445.00	-	-	2.84%	-
Technology Integration Group (TIG) - Hardware	-	\$297,874.14	-	-	20.39%	-
Total TIG	-	\$339,319.14	-	-	23.23%	-
Netwise Resources - Services	-	-	\$24,000	-	-	1.64%
Total Netwise Resources	-	-	\$24,000	-	-	1.64%

Recommendation

IND IT staff recommends that the IAA Board consider for approval for the Information Technology Systems Replacement Project, I-09-025, in an amount not to exceed \$1,860,200 and authorize staff to enter into sole source contract with IBM for Storage Area Network equipment and SAN implementation services. DBE 0%, MBE 23.23% (Technology Integration Group) WBE 1.64% (Netwise Resources).

BOARD DATE:
August 21, 2009

COR/ CO #	Project NO.	CONTRACTOR	ORIGINAL CONTRACT AMT	THIS CHANGE ORDER REQUEST		CUM CHANGE PERCENT	NEW CONTRACT AMOUNT	RELEASE OF RETAINAGE	Contract Description
				AMOUNT	PERCENT				
2	I-95-14H5.2	Evans Development Co	\$ 400,000.00	\$ 1,912.15	0.48%	3.10%	\$ 412,409.00		Residential Sound Insulation Program
2 Final & Balancing	I-06-003-1878	Rieth-Riley Construction Co., Inc.	\$ 1,455,820.00	\$(599,126.77)	-41.15%	-36.63%	\$ 922,568.48		Repair Tug Roads
0519-023	1874	Beaty Construction	\$ 3,798,861.00	\$ 5,093.04	0.13%	6.72%	\$ 4,053,971.89		Existing 14" Storm Line @ Sterling Run
1	I-95-14H.7	Innovative Construction Services	\$ 424,094.00	\$ 21,385.05	5.04%	5.04%	\$ 445,479.05		Residential Sound Insulation Program

CHANGE ORDER REQUESTS - MIDFIELD

BOARD DATE:
August 21, 2009


Project NO.	CONTRACTOR	ORIGINAL CONTRACT AMT	THIS CHANGE ORDER REQUEST		CUM CHANGE PERCENT	NEW CONTRACT AMOUNT	Contract Description
			AMOUNT	PERCENT			
A07	Berns Construction	\$ 17,702,068.95	\$ 5,384.90	0.03%	5.0%	\$ 18,588,323.02	North Apron & AOA Paving
F08	Ermco/Sachs	\$ 3,943,027.00	\$ 16,938.00	0.43%	16.3%	\$ 4,588,622.81	Fuel Storage Facility - Electrical
H08	Circle B Construction	\$ 15,660,260.00	\$ 30,282.00	0.19%	15.5%	\$ 18,080,103.33	Terminal General Trades
H11	Ermco/Sachs	\$ 22,165,000.00	\$ 32,088.00	0.14%	36.7%	\$ 30,298,522.63	Secondary Electric
H17	Circle B Construction	\$ 7,370,555.00	\$ 10,686.57	0.15%	27.6%	\$ 9,403,490.64	Concourse General Trades
H18	International Piping	\$ 11,500,000.00	\$ 14,997.00	0.13%	3.5%	\$ 11,907,805.00	Mechanical Systems
H19	Poynter Sheetmetal	\$ 9,445,000.00	\$ 27,138.00	0.29%	12.5%	\$ 10,621,872.00	Mechanical Distribution
H22	Purdy Masonry	\$ 5,099,000.00	\$ 8,676.00	0.17%	25.3%	\$ 6,390,551.00	Masonry & Limestone
H23	F A Wilhelm	\$ 11,470,000.00	\$ 93,866.00	0.82%	20.4%	\$ 13,813,114.00	Miscellaneous Metals
H24	CL Coatings	\$ 2,768,400.00	\$ 6,475.00	0.23%	17.7%	\$ 3,258,676.11	Paint & Wall Coverings
H29	Brenner Design	\$ 1,936,234.00	\$ 2,362.00	0.12%	12.9%	\$ 2,188,511.00	Furnishings & Equipment
H31	Dalmatian Fire	\$ 3,986,000.00	\$ 4,116.00	0.10%	12.6%	\$ 4,489,666.00	Fire Protection Systems
H32	Geograph Industries	\$ 899,619.00	\$ 13,146.00	1.46%	21.0%	\$ 1,088,744.00	Terminal Signage
H35	Ermco/Sachs	\$ 3,000,000.00	\$ 9,310.00	0.31%	93.9%	\$ 5,817,098.49	IT Cabling Infrastructure
H36	Ermco/Sachs	\$ 2,926,000.00	\$ 52,377.00	1.79%	28.3%	\$ 3,754,317.00	PA & Fire Alarm Systems
H40	Siemens Logistics	\$ 22,857,097.00	\$ 28,405.00	0.12%	15.1%	\$ 26,308,646.00	Baggage Handling System
H41	Gibson-Lewis	\$ 4,482,000.00	\$ 44,531.00	0.99%	16.1%	\$ 5,202,013.00	Airline Fitout
H43	Crown Corr	\$ 20,685,000.00	\$ 82,590.00	0.40%	-3.6%	\$ 19,930,861.00	Metal Panel System
HAR-1	Tyson Corporation	\$ 578,905.00	\$ 18,144.00	3.13%	3.1%	\$ 597,049.00	General Conditions - Site Trailers
T13	Gradex, Inc.	\$ 12,993,347.70	\$ 50,134.07	0.39%	7.3%	\$ 13,947,043.52	Deicing Phase 2
T14	Divane Brothers Electric	\$ 3,377,370.00	\$ 239,147.07	7.08%	20.6%	\$ 4,072,595.25	Deicing Phase 3
T29	Gradex, Inc.	\$ 16,585,186.39	\$ 47,210.27	0.28%	10.0%	\$ 18,241,956.35	East & West Parking Lots
T31	Gradex, Inc.	\$ 4,454,028.85	\$ 156,744.00	3.52%	3.7%	\$ 4,619,387.89	Employee & Taxi Staging Parking Lots
T44	Gradex, Inc.	\$ 1,632,100.00	\$ 70,777.83	4.34%	25.7%	\$ 2,051,099.14	Finish Sitework

\$ 1,065,565.71



Board Memo – Contract

To: IAA Board of Directors

From: Robert A. Duncan, Chief Operating Officer 

Date: July 14, 2009

Board Date: August 21, 2009

Subject: Option Agreement to Historic Landmarks Foundation

Recommendation

The IAA staff has reviewed the Option Agreement and recommends that the IAA Board:

Approve a one (1) year Option Agreement with Historic Landmarks Foundation of Indiana, Inc. for the purchase of the Horace Reeve historic farmhouse.

Scope

In 1995, the Airport Authority purchased property from the Gladden family as part of the Noise Program. The residential structure known as the Horace Reeve Farmhouse located on the real estate was eligible for listing as a historic structure under the National Historic Preservation Act.

A Memorandum of Understanding (MOU) was entered into by the Authority with the FAA, Indiana Department of National Resources, Historic Preservation Division, and the Advisory Council on Historic Preservation. The MOU required the Authority to exhaust the following possibilities before the structure could be demolished:

- (1) preserve the structure,
- (2) seek adaptive reuse,
- (3) offer the property to another governmental entity to use and maintain the structure, and
- (4) offer the property to a not-for-profit historic preservation organization.

In the event none of the foregoing is successful, the Authority could then demolish the structure after completing a recordation process approved by the Indiana Historic Preservation Office.

Since 1995, the staff has attempted to find a reuse for the structure or to transfer the property, none of which were successful. The Authority was spending an average of \$20,000 per year to preserve and protect the structure.

In late 2007, the Authority completed an approved recordation process and received authorization to demolish the structure. A week before demolition was to occur in early 2008; Historic Landmarks Foundation representatives once again contacted the IAA staff requesting the opportunity to protect the structure and find a user or to have the property transferred to it. The house is surrounded by protected bat and wetland areas requiring discussions with U.S. Fish & Wildlife that issued a letter in 2008 regarding standards for any reuse. Over the course of the remainder of 2008 and 2009 to date, Historic Landmarks has not been able to find a user and requested that it have one more year to market the property for adaptive reuse.

The Option Agreement being submitted for Board consideration does the following:

- (1) Historic Landmarks Foundation, Inc. is given a one (1) year option to find a user/buyer for the property or to purchase the property itself.
- (2) During the Option term, and in consideration thereof, Historic Landmarks assumes all the costs for security, maintenance, repair of building damage and preservation of the property in accordance with the 1995 MOU, and to indemnify the Authority against any claims that result from Historic Landmarks' failure to perform the foregoing obligations.

Schedule

August 20, 2009 – Approve Option Agreement

Revenue

Not applicable.

Operating Cost Implications

\$20,000 reduction in cost to the Authority.

Diversity Participation

Not applicable.

Attachment

Photo of Horace Reeve Farmhouse

Horace Reeve Farm House

Existing Conditions Photographs

