



Agenda
Indianapolis Airport Authority
December 17, 2010
10:00 a.m.

(or immediately following the adjournment of Pre-Board)

I. Call to Order

II. Approval of Minutes of the Pre-Board and Regular Meeting of November 19, 2010

III. Ordinances, Resolutions and Public Hearings

- a) Introduction of General Ordinance 4-2010 - 2011 Rates & Charges.
- b) Consider for approval the adoption of **Resolution 18-2010** concerning the transfer of amounts between budget line item classifications from the 2010 appropriations of the Indianapolis Airport Authority System Fund, as outlined in Appendix A, Resolution 18-2010.

IV. Board Reports

- a) President's Report

V. Official Actions

- a) Introduction of the IAA Consent Calendar dated December 17, 2010.
- b) Consider for approval each of the individual items listed on the IAA Consent Calendar Agenda dated December 17, 2010.

VI. Staff Reports

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

VII. Other Reports/Update

VIII. Adjourn

MINUTES
Board of Directors Meeting
Indianapolis Airport Authority

The Regular Meeting of the Indianapolis Airport Authority Board was called to order at 8:25 a.m., November 19, 2010, in the Airport Board Room at the Indianapolis International Airport.

Present and comprising a quorum were:

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

Advisory Members attending:

Jack Morton, Jr.
Lynn Gordon
Steve Dillinger

Rex Joseph, IAA Counsel

IAA executive staff attending:

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

APPROVAL OF MINUTES

Upon a motion by Mr. Flynn, seconded by Mr. Bennett and unanimously passed, approval was given to the Minutes of the Pre-Board and Regular Meeting of October 15, 2010.

ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS

Vice President Lacy Johnson introduced and opened the public hearing on General Ordinance No. 2-2010 and General Ordinance No. 3-2010 of the Indianapolis Airport Authority, which authorize the issuance and sale of one or more series of additional revenue bonds of said Authority.

Jeremiah Wise, Treasurer, provided an overview of these ordinances and their purpose.

Vice President Johnson asked for a motion to consider, for approval, the adoption of General Ordinance No. 2-2010.

Upon a motion by Ms. Wojtowicz, seconded by Mr. Azar and unanimously passed, approval was given to adopt General Ordinance 2-2010.

Vice President Johnson asked for a motion to consider, for approval, the adoption of General Ordinance No. 3-2010.

Upon a motion by Ms. Wojtowicz, seconded by Mr. Azar and unanimously passed, approval was given to adopt General Ordinance 3-2010.

For the next item, Vice President Johnson asked for a motion to consider, for approval, the adoption of Resolution No. 16-2010, authorizing the sale of IAA and IMC inventoried assets at public auction.

Upon a motion by Mr. Bennett, seconded by Mr. Flynn and unanimously passed, approval was given to adopt Resolution No. 16-2010.

For the next item, Vice President Johnson referenced Resolution No. 17-2010, concerning the amended and restated Retirement Plan of the Authority.

Joe Heerens, General Counsel, provided a brief overview of this resolution and the favorable determination letter which the Authority received from the Internal Revenue Service.

Vice President Johnson asked for a motion to consider, for approval, the adoption of Resolution No. 17-2010.

Upon a motion by Mr. Azar, seconded by Mr. Bennett and unanimously passed, approval was given to adopt Resolution No. 17-2010.

BOARD REPORTS

Finance & Audit Committee

Committee Chair Wojtowicz asked the Board to consider, for approval, a contract with BKD LLP ("BKD") to conduct an audit of the Authority for the year ended December 31, 2010 (Board Paper BP2010-11-1).

Upon a motion by Ms. Wojtowicz, seconded by Mr. Flynn and unanimously passed, approval was given to the contract with BKD.

President's Report

Vice President Johnson had no reports.

OFFICIAL ACTIONS

President Johnson asked for a motion to consider, for approval, an award of contract for Parking Garage Elevator Entry Drainage, Project #1-63, to Harmon Construction, Inc. ("Harmon"), in an amount not-to-exceed \$48,899 plus a 3% construction reserve of \$1,466.97, for a total of \$50,365.97. Harmon had the lowest responsive and responsible quote. MBE 59.25% and WBE 0%.

Upon a motion by Mr. Azar, seconded by Mr. Bennett and unanimously passed, approval was given to this contract awarded to Harmon (Board Paper BP2010-11-2).

STAFF REPORTS

CEO Report

Mr. Clark took this time to thank IAA Board and staff for their participation in a successful board retreat held on November 16th. Mr. Clark stated that the information shared and the resulting discussions were very helpful as we look forward to presenting the recommended Land Use Plan to the Board in December, along with some guiding principles.

CFO Report

Ms. Stone provided a brief report on Air Service for the month of October 2010 as well as year-to-date; she reported that October 2010 enplanements were up 4% vs. the same period in 2009, which puts the enplanements up by 0.4% year-to-date. Ms Stone stated that in the month of October, there were strong performances from the low cost carriers. She also announced that American Airlines launched two new daily flight services into JFK Airport and also launched its second daily flight into Miami. Ms. Stone also announced that Delta opened its new Sky Club in our terminal, which is the first to open in the United States under Delta's new brand from the combined merger of Delta and Northwest Airlines. Ms. Stone also gave a brief financial update.

Operations Report

Mike Medvescek, Chief Operating Officer, first recognized Mr. Eric Anderson, Director of Properties, for all his hard work on improving the Indianapolis Maintenance Center and its financial performance.

Mr. Medvescek reported that the Federal Aviation Administration ("FAA") recently conducted the required Part 139 safety and compliance inspection for the Indianapolis International Airport and was pleased to announce that, for the 11th consecutive year, there were no discrepancies found and the Airport was in full compliance with all FAA requirements. Mr. Medvescek publicly recognized and thanked the following employees for their efforts in this process: Sally Nicholson, Steve Summers and Kevin Elmore from the Authority's Fire Department; James Mooney and Mark Mackenzie from the Authority's Airport Operations; and Bill Abell and Brent Carter from the Authority's Operations. Mr. Medvescek provided a brief overview of the key items inspected for Part 139. He also announced that the Authority received the Partnership Award from the FAA, and he read the recognition letter to the Authority and then presented the award to the Board.

Communications & Marketing Report

Patzetta Trice, Chief Communications Officer, gave a brief report on the Communications & Marketing Department's initiatives and activities through October 2010.

Other Reports/Update

Vice President Johnson announced that today's refreshments for the Board meeting were provided by the Authority.

ADJOURN

There being no further business, the meeting was adjourned at 9:08 a.m.

INDIANAPOLIS AIRPORT AUTHORITY*

Lacy M. Johnson, Vice President

Alfred R. Bennett, Secretary

Date: _____

*Signed under authority of IAA Board Resolution 10-2009



Board Memo – 2011 Rates and Charges

To: IAA Board of Directors
From: John D. Clark, III, Executive Director/CEO
Date: November 30, 2010
Board Date: December 17, 2010
Subject: 2011 Rates and Charges Ordinance

Scope

The Board annually adopts an ordinance in order to implement a schedule of rates and charges for the use of Airport facilities. This proposed Ordinance sets forth rates, both current and those proposed to be changed, that will go into effect on February 1, 2011. The following represents the changes that have been made from the current rates and charges ordinance. In addition, some of the changes are necessary in order to bring the Airport's rates and charges ordinance into accord with the terms of the new 2010-2015 Airline Use Agreement.

1. Changes the annual space rental charge per square foot within the terminal for non-signatory airlines from \$132.64 up to \$142.50, per the terms of the new 2010-2015 Airline Use Agreement. Keeps the rate for signatory airlines the same at \$95 per square foot.
2. Changes the annual space rental charge per square foot for aircraft apron areas for non-signatory airlines from \$2.62 up to \$2.79, per the terms of the new 2010-2015 Airline Use Agreement. For signatory airlines, it lowers the rate from \$2.62 per square foot down to \$1.86.
3. For General Aviation, Military Aircraft, Non-Scheduled Charter, and Non-Signatory Airlines, it changes the landing fee per 1,000 pounds of Certificated Gross Landing Weight for each aircraft for each landing from \$2.96 down to \$2.93, as per the appropriate calculation. For signatory carriers, the landing fee remains at \$1.95 per 1,000 pounds of Certificated Gross Landing Weight.
4. Eliminates the charge of \$0.10 per enplaned passenger with respect to boarding passengers from Hold Rooms utilizing security screening, per the terms of the new 2010-2015 Airline Use Agreement.
5. To allow greater flexibility, it changes the language of the operating fee payable by taxicab owners and operators from a fixed fee of \$500 per 6 month period, to a not-to-exceed \$1,000 for every 6 months.
6. To allow greater flexibility, it changes the language of the concession fee payable by taxicab owners and operators from a fixed fee of \$1.50

- per loading operating of passengers, to a not-to-exceed \$2.50 per loading.
7. To allow greater flexibility, it changes the language of the annual registration for ground transportation vehicles from hotels and motels from a fixed fee of \$210 per vehicle, to a not-to-exceed \$1,000 per vehicle.
 8. To allow greater flexibility, it changes the language of the hotel and motel trip fee charge per vehicle from a fixed fee of \$1.00 per vehicle, to a not-to-exceed \$2.50 per vehicle.
 9. To allow greater flexibility, it changes the language of the trip fees paid by other Ground Transportation Providers, as follows: (i) limo-sedan, from a per trip fixed fee of \$1.95, to a not-to-exceed \$2.50; (ii) van, from a per trip fixed fee of \$2.20, to a not-to-exceed \$5.00; (iii) mini bus, from a per trip fixed fee of 2.40, to a not-to-exceed \$10.00; and (iv) charter bus, from a per trip fixed fee of \$10.50, to a not-to-exceed \$50.00.
 10. To allow greater flexibility, it changes the language of the owners and operators who do not have operating agreements with the Authority for ground transportation for special events from a fixed fee of \$33.00 per vehicle, to a not-to-exceed \$50.00 per vehicle.
 11. To allow greater flexibility, it changes the language of the Ground Transportation Booth Fees from a fixed fee of \$260.00 per month, to a not-to-exceed \$95.00 per square foot of booth space.
 12. Adds a new provision pertaining to charges for violations of the new employee parking policy in connection with moving Airport employees from the Employee Lot to the Parking Garage, with a not-to-exceed \$250.00 per violation (as provided in the new policy).
 13. Establishes various rates and charges for the newly-established Information Technology and related services which are to be provided by the Authority's IT Department at the request of a tenant or licensee (e.g., telecommunications, internet connectivity, networking).

Schedule

December 17, 2010	Introduction of Ordinance 4-2010
January 21, 2011	Public Hearing/Consideration for Adoption of Ordinance

Revenue and/or Operating Cost Implications

The Rates and Charges Ordinance is the principal document to impose fees and charges for the use of airport facilities in support of the 2011 approved operating and capital budgets of the Authority.

Supplier Diversity Participation

Not applicable.

GENERAL ORDINANCE 4-2010

WHEREAS, the Indianapolis Airport Authority Board (the "Authority"), pursuant to Indiana Code §8-22-3-11, is authorized to adopt a schedule of rates and charges, and to collect same from all users of Authority's airport facilities;

WHEREAS, the Authority desires to enact reasonable rates for the use of its airport facilities and services, commencing February 1, 2011;

WHEREAS, the Authority has considered a number of factors in determining reasonable landing fees and space rental rates, including the following: the projected revenues, expenses, and need for capital projects and comparisons with the rates of other airports; and

WHEREAS, representatives of the Authority have held discussions with representatives of many of the airline companies serving the Indianapolis International Airport (the "Airport") regarding such factors, and have received the advice and comments of all airline companies serving the Airport.

NOW, THEREFORE, be it ordained by the Authority's Board:

Section I. The following terms are hereby defined as follows:

A. Air Carrier

A person, company, corporation or other entity operating a commercial air transportation system by aircraft for the purpose of carriage of persons, cargo, mail or other property.

B. Aircraft Remote Parking Areas

A portion of the passenger terminal apron and other remote apron areas at the Airport, designated for the parking of diverted aircraft or overnight aircraft.

C. Airport

The "Airport" means the Indianapolis International Airport.

D. Airport Terminal Building

The Colonel H. Weir Cook terminal building at the Airport.

E. Certificated Air Carrier

A person, company, corporation or other entity operating a commercial air transportation system pursuant to the provisions of Federal Aviation Regulation Part 119, Part 121, or Part 129.

F. Certificated Gross Landing Weight

The maximum certificated gross landing weight in 1,000 pound units as approved by the Federal Aviation Administration ("FAA") for landing of an aircraft.

G. Commuter Air Carrier

A person, company, corporation or other entity operating a commercial air transportation system pursuant to the provisions of Federal Aviation Regulation Part 119 and Part 135 on a regular published schedule of aircraft arrivals and departures utilizing the Airport Terminal Building or the International Arrivals Building located at 7001 Pierson Drive.

H. Contract Day

The term "Contract Day" shall mean each twenty-four (24) hour period, or fraction thereof, for which an RAC rents an automobile to a customer.

I. Customer Facility Charge or CFC

The term "Customer Facility Charge" or "CFC" shall mean the charge to be collected by each RAC and remitted to the Authority pursuant to Section IV(K) hereof.

J. Customer Rental Transaction

The term "Customer Rental Transaction" shall mean a single rental transaction with a customer for a consecutive number of Contract Days.

K. Deplaned Passenger

"Deplaned Passenger" (or "Deplaning Passenger") shall mean a person arriving at the Airport by aircraft as a paying or non-revenue passenger.

L. Enplaned Passenger

"Enplaned Passenger" (or "Enplaning Passenger") shall mean a person departing the Airport by aircraft as a paying or non-revenue passenger, but not including a passenger on an intermediate stop at the Airport.

M. Executive Director/CEO

The person appointed by the Authority as Executive Director & Chief Executive Officer, or the Executive Director/CEO's designee,

responsible for the operation, maintenance, and management of the Authority's various airport facilities.

N. General Aviation Aircraft

All civil aircraft, except that of Scheduled Air Carriers, Non-Scheduled Air Carriers, and Commuter Air Carriers.

O. Ground Transportation Provider

A company, entity or person, other than taxi operators, that provides ground transportation services for hire from the Airport Terminal Building or International Arrivals Building, utilizing a limousine-sedan, van, mini-bus, or charter bus vehicle.

P. International Arrivals Building

The building located at 7001 Pierson Drive at the Airport.

Q. Landing

The term "landing", as used herein, shall mean the termination of flight of an aircraft upon an Airport runway.

R. Military Aircraft

All aircraft operated by any branch of the Armed Forces of the United States.

S. Non-Based Employee

The term "Non-Based Employee" shall mean an employee employed by a tenant of the Authority who resides in the Indianapolis metropolitan area, but whose primary employment base is a city located outside of the State of Indiana.

T. Non-Scheduled Air Carrier

An Air Carrier that does not operate aircraft on a regular, published arrival and departure schedule.

U. Non-Signatory Air Carrier

The term "Non-Signatory Air Carrier" shall mean an Air Carrier providing air transportation of passengers or property by air to and from the Airport which has not executed the Authority's 2010 form of "Agreement and Lease of Premises", for the use of, and for occupancy of, space and/or facilities at the Airport.

V. General Ordinance

The term "General Ordinance" shall mean this General Ordinance 4-2010.

W. RAC

The term "RAC" shall mean any auto rental company which leases office space, counter space, buildings, or real property for the operation of a rental car business at the Airport.

X. Scheduled Air Carrier

An Air Carrier that operates aircraft on a regular, published arrival and departure schedule.

Y. Signatory Air Carrier

The term "Signatory Air Carrier" shall mean an Air Carrier providing air transportation of passengers or property by air to and from the Airport, which has executed Authority's 2010 form of "Agreement

and Lease of Premises”, for the use of, and for occupancy of, space and/or facilities at the Airport.

Section II. The following schedule of rates, fees, and charges is hereby created and established for operators of aircraft using Hendricks County Airport, Eagle Creek Airpark, Metropolitan Airport, Mt. Comfort Airport, and the Downtown Heliport:

- A. General Aviation Aircraft not operating on a regular schedule shall pay a fuel flowage fee of \$0.06 per gallon of fuel delivered into the fuel tanks of such aircraft.
- B. Military Aircraft shall pay a fuel flowage fee of \$0.06 per gallon of fuel delivered into the fuel tanks of such aircraft.
- C. Charges for removal of disabled aircraft by Authority:

If pilots, owners or agents of General Aviation Aircraft request that Authority employees remove disabled aircraft from runways, ramps, taxiways, or other operational or other areas on any of the General Aviation Airport or heliport, the cost of the use of the Authority’s equipment (whether owned or leased) and Authority personnel shall be charged to the owner. As a condition to providing this service, the owner shall fully release and discharge the Authority from any and all liability related to the removal of aircraft.

Section III. The following schedule of rates, fees, and charges is hereby created and established for operators of aircraft using the Airport:

A. General Aviation Aircraft, Military Aircraft, and Non-Scheduled Air Carrier

1. General Aviation Aircraft not operating on a regular schedule shall pay a fuel flowage fee of \$0.07 per gallon of fuel delivered into the fuel tanks of such aircraft.
2. Military Aircraft shall pay a fuel flowage fee of \$0.07 per gallon of fuel delivered into the fuel tanks of such aircraft.
3. Operators of Non-Scheduled Air Carrier aircraft operating under Federal Aviation Regulation Part 119, Part 121, or Part 129 shall pay a landing fee of \$2.93 per 1,000 pounds of Certificated Gross Landing Weight for each aircraft for each landing.
4. Operators of large aircraft, as defined in Federal Aviation Regulation Part 125, shall pay a landing fee of \$2.93 per 1,000 pounds of Certificated Gross Landing Weight for each aircraft for each landing.
5. Aircraft operated by carriers pursuant to Federal Aviation Regulation Part 91, Part 119, or Part 135, on a regular schedule and pursuant to an Airport Use Agreement, shall pay a basic fee of \$150.00 per month per aircraft and a fuel flowage fee of \$0.07 per gallon of fuel delivered into the tanks on such aircraft. In the event that the total Certificated Gross Landing Weight for each aircraft operated by such

carrier shall average 250,000 or more pounds per month, such carrier may petition Authority to pay the rates and charges established by Section III(A)(3) in lieu of the charges established by this subparagraph.

B. Scheduled Certificated Air Carrier and Commuter Air Carrier Space Rentals

1. Annual Space Rental

An annual space rental charge per square foot of area is hereby levied upon all Signatory Scheduled Air Carriers, Signatory Commuter Air Carriers, Non-Signatory Scheduled Air Carriers, and Non-Signatory Commuter Air Carriers, for occupancy of space in and near the Airport Terminal Building, as follows:

	<u>Signatory</u>	<u>Non-Signatory</u>
A. Terminal	\$95.00	\$142.50
B. Office or Club Room	\$95.00	\$142.50
C. Hold Rooms	\$95.00	\$142.50
D. Operations Space	\$95.00	\$142.50
E. Baggage Make-up/Bag Claim	\$95.00	\$142.50
F. Ticket Counter	\$95.00	\$142.50
G. Aircraft Apron	\$ 1.86	\$ 2.79

One-twelfth (1/12) of an annual rental charge shall be due and payable monthly on the first (1st) day of each calendar month, in advance. The Authority or its Executive Director/CEO may assign such space to the airlines, from

time to time and in the exercise of reasonable judgment, and in accordance with their needs.

2. Baggage Claim, Baggage Make-Up, and Inbound Baggage Set-Off

(a) Twenty percent (20%) of total bag space square footage (including baggage claim, baggage make-up, and inbound baggage set-off) shall be allocated equally among the following: Signatory Airlines using the baggage system and non-signatory airlines with two percent (2%) or more of total enplaned passengers. Such charges shall be determined based on the number of airlines meeting the above criteria each December 1 for the following calendar year. Should the number of airlines meeting these criteria increase or decrease after December 1, an adjustment will be made accordingly for the remainder of the year.

(b) Eighty percent (80%) of total bag space square footage (including baggage claim, baggage make-up, and inbound baggage set-off) shall be allocated to each airline (both signatory and non-signatory) using the baggage system. All signatory airlines and non-signatory airlines with two percent (2%) or more of total enplaned passengers shall pay based on their percentage share of total enplaned passengers forecasted at Airport for calendar year for which

rates will be set. Non-signatory airlines with less than 2% of total enplaned passengers shall pay a fee per enplaned passenger of \$6.86.

3. Landing Fees

There are hereby established and levied landing fees upon each Non-Signatory Air Carrier using the Airport, a landing fee of \$2.93 per 1,000 pounds of Certificated Gross Landing Weight of each aircraft for each landing. Signatory Air Carriers shall pay a landing fee of \$1.95 per 1,000 pounds of Certificated Gross Landing Weight of each aircraft for each landing. Each Air Carrier subject to the landing fee provisions of Section III of this General Ordinance shall electronically provide to the Executive Director/CEO, on or before the fifteenth (15th) day of each month, an accurate verified report of landed weight, as prescribed by the Executive Director/CEO, and concurrently with transmittal of said report, tender payment in the amount of landing fees for that Air Carrier's operations at the Airport during the preceding month. Landing fee charges shall be due on the first (1st) of the month and payable no later than the fifteenth (15th) day of each month for the preceding calendar month of operations. The report submitted by Air Carriers shall include, but shall not be limited to: (1) Air

Carrier's total number of landings by type and model of aircraft and Certificated Gross Landing Weight of each type and model of aircraft; (2) the total number of Enplaning Passengers and Deplaning Passengers; and (3) the amount in pounds of freight, mail, and other cargo carried or transported by the Air Carrier for such month. Such reports shall be subject to review and audit by the Authority, and Air Carrier's records with respect to such reports shall be retained for five (5) years after the creation thereof.

4. Passenger Records

Each Air Carrier shall maintain a daily record of the number of passengers departing by its aircraft from the Airport. Within thirty (30) days following the close of each calendar month, each Air Carrier shall submit to the Authority a report of passenger embarkation for the prior month. Such reports shall be subject to the Authority's review and audit, and Air Carrier's records with respect to such reports shall be retained for at least five (5) years after the creation thereof.

5. International Arrivals Building and Ramp located at 7001 Pierson Drive

- (a) International Processing Fee: Users shall pay a minimum service facility fee of \$300.00 per flight, or \$3.00 per person processed, whichever is greater, for

use of the inspection area and reboarding lounge in the International Arrivals Building.

(b) Inspection Area: When used separately to accommodate special events or functions, the user shall pay a fee of \$100.00.

(c) Reboarding Lounge: When used separately to accommodate deplaning or enplaning passengers or for special purpose or function, the user shall pay a fee of \$100.00.

(d) International Arrivals Ramp: A parking fee of \$200.00 per twenty-four (24) hour period (or fraction thereof) shall be paid by aircraft operators who utilize the International Arrivals Ramp for overnight parking or extended aircraft parking.

6. International Arrivals at Airport Terminal Building

(a) A ramp fee of \$200.00 for each turn flight.

(b) A parking fee of \$200.00 per twenty-four (24) hour period (or fraction thereof) shall be paid by aircraft operators who utilize the International Arrivals Ramp for overnight parking or extended aircraft parking.

7. Aircraft Remote Parking Areas

Aircraft operators parking aircraft in the designated overflow apron areas shall pay \$200.00 per twenty-four (24) hour period (or fraction thereof).

8. Gate Use Fee

Air Carriers using aircraft gates and/or associated facilities for passenger handling and/or aircraft operations shall pay the following fees per flight:

	<u>Up to 3 hours</u>	<u>More than 3 hours but less than 9 hours</u>
(a) <u>Terminal Facilities</u>		
<u>NON-SIGNATORY AIR CARRIER</u>		
Hold Room & Loading Bridge	\$300.00	\$600.00
Aircraft Apron	\$100.00	\$200.00
Operations Space	\$ 65.00	\$130.00
Ticket Counter and Public Address System	\$ 65.00	\$130.00
	<u>More than 9 hours but less than 18 hours</u>	<u>18 hours to 24 hours</u>
Hold Room & Loading Bridge	\$1,300.00	\$2,800.00
Aircraft Apron	\$ 200.00	\$ 200.00
Operations Space	\$ 260.00	\$520.00
Ticket Counter and Public Address System	\$ 260.00	\$520.00
(b) <u>Terminal Facilities</u>	<u>Up to 3 hours</u>	<u>More than 3 but less than 9 hours</u>
<u>SIGNATORY AIR CARRIER</u>		

Hold Room & Loading Bridge	\$150.00	\$200.00
Aircraft Apron	\$ 50.00	\$200.00
Operations Space	\$ 65.00	\$130.00
Ticket Counter and Public Address System	\$ 65.00	\$130.00

	<u>More than 9 hours but less than 18 hours</u>	<u>18 hours to 24 hours</u>
Hold Room & Loading Bridge	\$ 600.00	\$1,400.00
Aircraft Apron	\$ 200.00	\$200.00
Operations Space	\$ 190.00	\$380.00
Ticket Counter and Public Address System	\$ 190.00	\$380.00

9. Charges for Removal of Disabled Aircraft by Authority

If pilots, owners or agents of Air Carriers (the "Responsible Party" or "Responsible Parties") request that Authority employees remove disabled aircraft from runways, ramps, taxiways or other operational or other areas on the Airport, the cost of the use of the Authority's equipment (whether owned or leased) and Authority personnel shall be charged to the owner or Air Carrier. As a condition to providing this service, the Responsible Party shall fully release and discharge the Authority from any and all liability related to the removal of aircraft.

Section IV. With respect to ground transportation, concession and other fees at the Airport:

A. Taxicabs/Operating Agreement and Concession Fees

1. Taxicab owners or operators must have an operating agreement with the Authority and pay a fee not to exceed \$1,000.00 (as approved by the Executive Director/CEO), in advance, for each six (6) month period that their operating agreement is in force.
2. Taxicab owners or operators shall pay a concession fee not to exceed \$2.50 (as approved by the Executive Director/CEO), per loading operation of passengers at the Airport. Taxicab owners or operators may assess a maximum pickup charge to Airport passengers of \$0.50 per loading operation at the Airport.
3. The minimum taxi fare for trips originating at the Airport shall be \$15.00.

B. Ground Transportation Agreement Fees

1. Fees. Any person, company or other entity operating a business, an integral part of which involves persons or baggage being regularly transported between the Airport and a motel, hotel, parking lot, or auto rental office situated off Airport property, in vehicles owned or operated by the person, company or other entity providing the service (or

subcontractor thereof), shall pay the following fees and charges, and, at the discretion of the Executive Director/CEO, said fees and charges may be prorated to a convenient calendar date:

(a) Hotel and Motel Vehicles

(i) An annual registration fee not to exceed \$1,000.00 (as approved by the Executive Director/CEO), per vehicle.

(ii) A trip fee not to exceed \$2.50 (as approved by the Executive Director/CEO), per vehicle used for transportation of customers from the Airport.

(b) Off-Airport Car Parking Companies

A fee of ten percent (10%) of all sales and fees for the parking of automobiles, courtesy vehicle shuttle transportation, valet parking services, and automobile services, as follows:

- 1) washing and waxing
- 2) detailing or interior cleaning
- 3) oil, lube and filter
- 4) bulb repair or replacement

for its customers arriving, departing or using Airport.

(c) Off-Airport Auto Rental Companies

A fee of ten percent (10%) of all sales and fees for the rental of automobiles and services, as follows:

- 1) time and mileage
- 2) unused voucher revenue
- 3) CDW allocated inclusive
- 4) loss damage waiver
- 5) personal accident insurance
- 6) extended liability protection
- 7) personal effects coverage
- 8) protection plus
- 9) fuel service option
- 10) fuel recharge
- 11) intercity fees
- 12) coupons
- 13) baby seat revenue
- 14) navigational systems
- 15) additional driver
- 16) under age driver
- 17) ski racks
- 18) cellular phone commission
- 19) change of equipment
- 20) miscellaneous vehicle revenue
- 21) airport fees

for its customers arriving, departing or using Airport.

2. Audit. Any person, company or other entity, by acceptance and use of a Ground Transportation Agreement issued by the Authority, agrees that the Authority shall have the right to inspect and audit such person's, company's, or entity's books of account and other records pertaining to its business operations in connection with the Airport, which books of account and other records shall be retained by such person, company or entity for a period of not less than five (5) years.
3. Termination of Ground Transportation Agreement. The Executive Director/CEO may terminate a Ground Transportation Agreement for failure to allow an audit as

provided in Section IV(B)(2) above, or for violation of any rule, regulation, or ordinance of the Authority or of any federal, state or local law or ordinance, upon the failure of the person, company or other entity to comply with or correct said violation, within seven (7) days after receipt of written notice from the Executive Director/CEO or his designee.

C. Scheduled Bus Service

Scheduled bus owners or operators shall pay a negotiated fee per month on inter-city routes.

D. Other Ground Transportation Providers

1. Ground Transportation Providers shall pay a trip fee for transportation from the Airport (as approved by the Executive Director/CEO), not to exceed the fees specified in the following table:

Vehicle Type	Per trip not to exceed fees
Limo-Sedan	\$2.50
Van	\$5.00
Mini Bus	\$10.00
Charter Bus	\$50.00

2. Limousine owners and operators must have an operating agreement with the Authority and pay an annual fee (as approved by the Executive Director/CEO), not to exceed \$1,000.00.

E. Special Events

Any operator or owner who does not have an operating agreement with the Authority that is providing ground transportation for a special event or convention shall pay a fee, as approved by the Executive Director/CEO, not to exceed \$50.00 per vehicle per trip at the Airport.

F. Ground Transportation Booth Fees

A monthly fee, as approved by the Executive Director/CEO, not to exceed \$95.00 per square foot for use of booths in the Ground Transportation Center located adjacent to Airport's parking garage.

G. Automatic Vehicle Identification

Any operator or owner operating commercial motor vehicles at the Airport and subject to the fees of this Section IV shall, prior to operating at the Airport, equip such motor vehicles with Automatic Vehicle Identification Transponders (the "Transponder") provided by the Authority and pay a \$50.00 deposit therefor, which deposit shall be refunded upon the return of such Transponder in good condition. Any operator or owner of commercial motor vehicles required to be equipped with a Transponder shall be subject to a penalty of \$1,000.00 per day for each violation for failure to install

on and operate a commercial motor vehicle with the Transponder provided by the Authority.

H. Conference and Meeting Rooms

The Executive Director/CEO shall have the authority to set fees for the use of the Airport's conference rooms.

I. General Concession & Service Fees

Any person, firm, partnership, corporation, limited liability company, or any other business entity providing services or concessions on the Airport shall be required to obtain a Use Permit or other written agreement from the Authority and to pay the appropriate fees specified in said Use Permit or Agreement for the service or concession to be provided.

J. Public and Employee Parking

1. The Executive Director/CEO shall have the authority to set fees for the use of the Airport's parking garage and parking lots, in a daily amount to not exceed \$22.00.

2. The Executive Director/CEO shall have the discretion to develop and implement discounts, incentives, and other special programs for the Airport's parking garage or lots that may have the effect of reducing the daily rates set forth under Section IV(J)(1).

3. The Executive Director/CEO shall have the authority to set fines for violations of the Authority's parking policies, in an amount not to exceed \$250.00 per violation.

K. Customer Facility Charge

1. Each RAC shall pay a fee for each Customer Rental Transaction, and the Executive Director/CEO shall have the authority to set the fee in an amount not to exceed \$4.00 per rental car Contract Day, for a maximum of fourteen (14) Contract Days.

2. The Customer Facility Charge shall be shown as a separately itemized charge on each customer contract for such RAC and described as "Customer Facility Charge" or "CFC", with a footnote approved by the Authority explaining the abbreviation.

3. Each RAC must hold the CFC revenues collected by it, in trust, in a fiduciary capacity for the Authority. All of the CFC revenues collected and held will be considered the Authority's property and will not be considered gross revenues of the RAC. Each RAC shall hold CFC revenue collections in a custodial capacity, in which the RAC has no interest other than that of custodian, and shall not hold or have either an ownership or equitable interest in said CFC revenues collected.

4. Each CFC shall be collected from all customers of the RAC, including customers receiving complimentary or discounted auto rentals from the RAC and without regard to whether that customer is using the Airport's facilities.

5. Each RAC shall maintain records and controls that are sufficient to demonstrate the accuracy of the CFC revenues collected and the amount of CFC revenue collections remitted. These accounting records must be made available for inspection and examination at all reasonable times by the Authority or its duly authorized representative(s). Should travel to an RAC's out-of-state offices be required in order to conduct such an examination or inspection, all reasonable costs incurred by the Authority or its duly authorized representative(s), including, but not limited to, airfare, meals, lodging and local transportation, shall be paid by such RAC.

6. Each RAC shall provide to the Executive Director/CEO, no later than October 1st of each calendar year, a statement showing such RAC's projected Contract Days for the forthcoming year.

7. The Authority reserves the right to adjust the amount of the CFC, at such times as it deems necessary or appropriate, upon at least sixty (60) days prior written notice to each RAC.

8. No RAC shall be entitled to any rights of offset or other reduction in the requirements herein, and shall remit all CFC revenues collected to the Authority regardless of any amounts that may be owed or due to such RAC by the Authority.

9. It is understood and agreed that all CFC revenues required to be collected by an RAC may be pledged for, or dedicated to, the payment of airport bonds or other obligations pursuant to the

applicable bond documents, and such other costs as agreed to by the Authority.

10. Each RAC shall remit the CFC revenues collected to the Authority at the address provided in the current RAC Agreement, and shall pay such revenues in U.S. dollars without exchange for foreign currency. Each RAC shall timely remit its CFC revenue collections to the Authority.

11. Within ninety (90) days after the end of each calendar year, RAC shall employ a certified public accountant (the "CPA"), who shall provide an unqualified written statement to the Authority stating whether, in the CPA's opinion, the CFC revenues collected by the RAC, and the number of Customer Rental Transactions and Contract Days during the preceding year pursuant to this Agreement, were remitted and provided to the Authority in accordance with the terms of this Ordinance. Such statement shall contain a list, by month, of the CFC revenues collected, the number of automobile rental days, and number of Contract Days as shown on the books and records of the RAC that were used to determine the payments made to the Authority during the period covered by the statement. An electronic copy of the annual CFC report shall be submitted to the Authority with the annual CFC statement. Each RAC shall make payment of any additional

amount due as reflected in the CPA statement to the Authority at the time the CPA statement is provided to the Authority.

12. Each RAC shall furnish to the Authority, on or before the fifteenth (15th) day following each complete calendar month, a statement certified by such RAC and prepared in a manner satisfactory to the Authority, of the CFC revenues collected, and the number of Customer Rental Transactions and Contract Days that occurred during the previous calendar month. The CFC revenues collected shall be remitted by the RAC to the Authority by the 15th day of each month for the preceding calendar month of operations during the year.

Section V. With respect to public safety fees:

A. Fingerprinting and Criminal Records Check

A fee of \$50.00 shall be paid by each person requesting issuance of an Airport identification badge that requires fingerprinting the person and conducting a criminal record background check of such person.

B. Alarm System Monitoring and False Alarm Fees

1. A fee of \$35.00 per month may be charged to each person who occupies a building on Airport property that is monitored by the Airport Operations Center.

2. The following fees may be charged for more than one (1) false alarm in a calendar year:

(a) For a first false alarm in a calendar year, a written warning shall be issued from the Airport Police Department or Airport Fire Department.

(b) For a second false alarm received in the same calendar year subsequent to the issuance of the written warning, a fee of \$25.00 will be charged.

(c) For a third or fourth false alarm received in the same calendar year subsequent to the issuance of the written warning, a fee of \$75.00 will be charged.

C. Badge Replacement Fees

The following fees may be charged for the replacement of badges issued by the Airport's Badging Office:

1. For damaged badges -- \$10.00
2. For lost or misplaced badges -- \$75.00

Section VI. With respect to copying fees:

- A. As permitted under Indiana Code §5-14-3-8, the Authority may charge \$0.10 per page for photocopies.
- B. As permitted under Indiana Code §9-29-11-1, the Airport Police Department may collect a fee of \$5.00 per report for copies of motor vehicle accident reports. The fees collected for motor vehicle accident reports shall be deposited into a training fund for police officers.

Section VII. With respect to telecommunications, internet, networking, and related IT services:

The following fees may be charged for the services indicated below performed by the Authority's Information Technology Department at the request of any tenant or licensee of Authority:

A. TELECOMMUNICATIONS	<i>Tenant Rate</i>
Digital handset with dial tone	\$25/mo. per phone
Analog circuit for fax lines	\$25/mo. per line
Data jack/cabling (new service activations only)	\$250 (per jack; 1x fee)
Long distance service	\$.05/minute
Directory Assistance and collect calls will be charged back to tenant	At cost

B. INTERNET CONNECTIVITY & BANDWIDTH	<i>Tenant Rate</i>
Data jack/cabling (new service activations only)	\$250 (per jack; 1x fee)
Network configuration for wired/wireless Internet access setup	\$95 (per port; 1x fee)
Wired/wireless Internet connectivity:	
1.5 Mbs bandwidth	\$50/month
3 Mbs bandwidth	\$100/month
5 Mbs bandwidth	\$167/month
5+ Mbs bandwidth	Call for quote
Router/Firewall	\$10/month

C. NETWORKING	<i>Tenant Rate</i>
Virtual Local Area Network (VLAN); up to five static IP addresses	\$95 per VLAN (1x fee)
Switched port access; patching/adding VLAN port(s)	\$7/month (per port)
Equipment cabinet in tenant communication room	\$10/month (per unit)
Additional inter-building fiber pairs (between buildings)	\$500/pair (per month) \$300/ea. add'l. pair (per month)
Additional intra-building fiber pairs to link terminal, concourse, Ground Transportation Center (GTC), or Garage Communication	\$65/pair per month

Room (GCR)	
Additional Cat 6 cables beyond base terminal build-out (cables from Comm. Room to tenant space)	\$19.95/cable per month

D. MISCELLANEOUS	<i>Tenant Rate</i>
Configure, move, add or change hardware/software	\$75/hour (1 hour minimum)
IT project consultation, management, design coordination	\$100/hour (1 hour minimum)
Coax cable for cable TV	\$19.95/month per port

Section VIII.

Nothing contained herein shall prevent or restrict the Authority from entering into a use agreement with any airline company that provides for a credit or assessment in the event that actual income or expenses fall short of projected levels.

Section IX.

As a condition precedent to the right of any aircraft operator to use the Airport, it shall comply with all the reporting and payment requirements hereinabove set forth. Any such aircraft operator failing to comply with said requirements shall be barred from the use of any of the Authority's airport facilities.

Section X.

For all payments due to the Authority pursuant to the provisions of this Ordinance, other agreements with Authority, or any funds payable to the Authority, there shall be added interest computed at the rate of 1½% per month from the due date of such payment, same to be assessed whenever

any payment shall become thirty (30) days overdue and provided that the aggregate monthly interest for such overdue account exceeds Ten Dollars (\$10.00).

Section XI.

The rates, fees, and charges herein established are subject to review and modification by the Authority from time to time, to properly reflect the costs of the construction, operation, maintenance and expansion of the Authority's airport facilities.

Section XII.

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

Section XIII.

Any ordinances, or parts thereof, of the Authority that are inconsistent with the terms of this General Ordinance, are hereby superseded.

Section XIV.

This General Ordinance shall be in full force and effect as of February 1, 2011.

ENACTED on this _____ day of _____, 2011.

INDIANAPOLIS AIRPORT AUTHORITY*

By _____
Michael B. Stayton, President

By _____
Alfred R. Bennett, Secretary

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

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

I, Alfred R. Bennett, the duly elected and 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 the Indianapolis International Airport on January ____, 2011, and that said Ordinance has not been amended, rescinded or revoked.

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

Alfred R. Bennett, Secretary



Board Memo – Resolution

To: IAA Board of Directors
From: Marsha Stone, Chief Financial Officer
Date: November 4, 2010
Board Date: December 17, 2010
Subject: 2010 Budget Appropriation Transfer – Resolution No. 18-2010

Scope

The Indianapolis Airport Authority has an approved 2010 budget appropriation for the Airport System Fund of \$224,421,924. This resolution is required by Indiana Code section 6-1.1-18-6. This statute requires the Board to officially authorize a transfer between the major budget line item classifications included in the Authority's annual budget ordinance if a particular classification is expected to exceed the budgeted amount.

A reclassification of \$400,000 to the Supplies & Materials budget line is required for an increase in fuel cost and various vehicle repair parts (primarily for shuttle buses). An additional \$100,000 will be allocated to the Capital Outlay budget line for various replacement vehicles in order to maintain safe and reliable vehicles. Transfers increasing the aforementioned budget classifications are being made from the Other Services and Charges budget line.

The Authority is not required to seek approval for this transfer from either the City-County Council or the Department of Local Government Finance, as this transfer does not result in expenditures in total greater than the budget appropriation amount originally published and approved, and has no tax levy impact.

The Airport Authority has cash balances available to cover all approved Airport System Fund expenditures within the 2010 appropriation level. There are no business risks, revenue and/or additional operating cost implications with the transfer of funds between budget line items. Supplier Diversity Participation is not applicable to this request.

Recommendation

Consider for approval the transfer of amounts between budget line item classifications from the 2010 appropriations of the Indianapolis Airport Authority System Fund, as outlined in Appendix A, Resolution 18-2010.

INDIANAPOLIS AIRPORT AUTHORITY

RESOLUTION NO. 18-2010

A Resolution to transfer by budget classification, certain amounts from the appropriations of the Indianapolis Airport Authority, Marion County, Indiana, Airport System Fund for the calendar year of 2010.

Section I - That for the calendar year of 2010, budgeted expenditure amounts from the appropriations of the Indianapolis Airport Authority may be transferred by the Board of the Indianapolis Airport Authority, under Indiana Code section 6-1.1-18-6, from one major budget classification to another, at any regular meeting without prior notice and without approval from the Department of Local Government Finance, provided such transfer does not necessitate expenditure of more money than was set out in detail in the published budget.

Section II - That for the calendar year of 2010, hereby transfer the following sums of money from the budget classifications of the Airport System Fund of said Indianapolis Airport Authority as follows:

	2010 Published Budget Ordinance No. 2-2009 <i>(IAA Board approved 7/17/09)</i>	2010 Revised Budget Resolution No. 1-2010 <i>(IAA Board approved 1/15/10)</i>	2010 Budget Resolution No. 18-2010 <hr/>
Personal Services	\$ 25,463,810	\$ 27,317,988	\$ 27,317,988
Supplies & Materials	3,922,552	3,989,734	4,389,734
Other Services and Charges	194,870,562	192,949,202	192,449,202
Capital Outlay	<u>165,000</u>	<u>165,000</u>	<u>265,000</u>
Total Airport System Fund	\$224,421,924	\$224,421,924	\$224,421,924

Within the underlying detail of the Airport System Fund, it is anticipated that certain disbursements for the budget classifications for Supplies & Materials and Capital Outlay will exceed the amount projected in Resolution 1-2010. It is also anticipated that the existing appropriations for Other Services and Charges have un-obligated balances that will not be expended. It is further resolved that a transfer be made from the Other Services and Charges classifications to the Supplies & Materials and Capital Outlay classifications as noted above.

This Resolution shall be in full force and effect upon its adoption.

Adopted by the Board on December 17, 2010.

INDIANAPOLIS AIRPORT AUTHORITY*

By _____
Michael B. Stayton, President

By _____
Alfred R. Bennett, Secretary

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

STATE OF INDIANA, MARION COUNTY
INDIANAPOLIS AIRPORT AUTHORITY

I, Jeremiah Wise, Treasurer of the Indianapolis Airport Authority, do hereby certify the above and foregoing is a full, true and complete copy of Resolution 18-2010, that said Resolution was passed by the Board of the Indianapolis Airport Authority on the 17th day of December, 2010, and now remains on file and record in the Airport offices.

WITNESS my hand and the Official Seal of
the Indianapolis Airport Authority this 17th
day of December, 2010

Jeremiah Wise
Treasurer
Indianapolis Airport Authority

IAA Board Meeting
Consent Calendar Agenda
December 17, 2010

Consider for approval:

A) General Business

BP2010-12-1

The Affiliate & Non-signatory Permits as outlined in board paper BP2010-12-1.

B) Capital Program

BP2010-12-2

A Change Order with Gradex, Inc. for Project #TT-044 in an amount not-to-exceed \$9,600.



Board Memo – Affiliate & Non-signatory Permits

To: IAA Board of Directors

From: Marsha Stone, Chief Financial Officer

Date: November 21, 2010

Board Date: December 17, 2010

Subject: Affiliate & Non-signatory Permits

Background

The Airport Authority’s current affiliate and non-signatory permits were structured to expire with the existing airline use agreement on December 31, 2010. Both types of permits were updated to reflect required language from the airline use agreement that received Board approval on October 15, 2010.

The affiliate carriers operate as a subsidiary of the signatory carriers, therefore paying signatory landing fees as an affiliate carrier. The remaining carriers are required to operate under a non-signatory use permit, paying non-signatory landing fees.

Scope

The affiliate and non-signatory permits will allow these carriers to continue providing passenger and cargo air service as shown on the table below. All permits may be terminated on a thirty (30) day written notice by either party.

Airline	Type of Permit	Expiration Date
Air Wisconsin	Affiliate	December 31, 2015
Allegiant Air	Non-signatory	December 31, 2013
American Eagle	Affiliate	December 31, 2015
Atlantic Southeast	Affiliate	December 31, 2015
Branson Air	Non-signatory	December 31, 2013
Champlain Enterprises	Affiliate	December 31, 2015
Chautauqua, Republic, Shuttle America	Affiliate	December 31, 2015
Comair	Affiliate	December 31, 2015
ExpressJet	Affiliate	December 31, 2015
Jazz Air	Non-signatory	December 31, 2013
Mesa	Affiliate	December 31, 2015
Miami Air	Non-signatory	December 31, 2013
Mountain Air Cargo	Affiliate	December 31, 2015
Pinnacle	Affiliate	December 31, 2015
PSA	Affiliate	December 31, 2015
SkyWest	Affiliate	December 31, 2015

Revenue and/or Operating Cost Implications

Revenue:

All affiliate landings are included in the signatory airlines reports that are submitted and paid on a monthly basis. Non-signatory landings are reported monthly by the individual carrier and therefore billed directly to that particular carrier. The 2010 YTD non-signatory landing fee revenue is \$82,693.46.

Operating Costs:

There are no operating costs associated with these permits.

Supplier Diversity Participation

Not applicable.

Recommendation

IAA staff has reviewed the terms and conditions of these permits and approves the recommendation for approval to the Indianapolis Airport Authority Board.



Board Memo – Change Order

To: IAA Board of Directors

From: Mike Medvescek, Chief Operating Officer

Date: November 19, 2010

Board Date: December 17, 2010

Subject: Change Order for Project # TT-044 for Center Creek Drainage with Gradex, Inc.

Background

Gradex, Inc. was the lowest responsive and responsible bidder for Midfield Bid Package TT-044 with scope to construct structures required to meet City of Indianapolis storm water requirements in the Center Creek watershed and to perform final site grading within the Center Creek area.

The water quality structure, as constructed, meets City of Indianapolis requirements and serves its intended purpose. However, after a number of precipitation events subsequent to completion of the construction work in 2009, it was observed that the completed water quality structure did not fully drain the accompanying ditch, leaving several inches of standing water in the ditch. Given the proximity of the ditch to the airfield, it is important to remove the source of standing water as a possible wildlife attractant. Modifications of the design and the changes to the structures required City approval and a permit.

The original contract was approved by the Board on June 20, 2008.

Change Order Summary

Typically, contract changes fall under one of three categories: Errors/Omissions, Unforeseen Circumstances, or additional Owner requested scope. Typically, the cost of an error is paid by the designer since this requires redo of work that has been completed. Omissions are items that are corrected before work is done on that item and the designers are typically charged up to 15% of the cost of that item since the item has to be negotiated with the contractor. Unforeseen circumstances are items that could not have been anticipated by the designer and are not charged against the designer. The standard of care of errors/omissions items can range from 1 to 2 percent of the total construction cost.

IAA investigated the possible causes of the standing water to determine whether the problem primarily resulted from inadequate design or improper construction; or a combination of both. The results of the investigation were inconclusive; so, IAA negotiated with both the designer, Wessler Engineering, and the contractor, Gradex, Inc. to design and to construct an underdrain as an addition to the structure to remedy the standing water. The design work associated with the underdrain has been performed at no additional cost and Gradex will construct the underdrain at significantly reduced cost (\$9,600.00 rather than estimated \$21,700.00).

This Change Order could not proceed until IAA completed the process with the City of Indianapolis to gain approval of the revised water quality structure. After several iterations with the City to identify a cost effective, acceptable solution, the City of Indianapolis approved the permit for the revised structure on November 4, 2010. Construction work also involves removing several small trees for a swale near the creek. Tree removal near the protected bat habitat areas is generally not done until after mid-October to correspond to bat migration and permit requirements.

Revised Construction Contract Amount

Original Construction Contract Amount	\$1,632,100.00
Previous Change Orders Amount	\$ 428,729.37 (26.27% of Contract)*
Current Change Order	\$ 9,600.00 (0.59% of Contract)
New Construction Contract Total	\$2,070,429.37

The revised contract with the Change Order included is within the Midfield cash flow. This Change Order will complete all construction work associated with the TT-044 Gradex contract and IAA is preparing contract closeout documents to finish the project by 12/31/2010.

- * Previous Change Orders totaled \$428K which included: items adding scope to the contract to meet City drainage and fire code requirements (e.g., grading for future commercial site and near garage, addition of one and relocation of another fire hydrant, totaling \$280K), items addressing unforeseen circumstances (e.g., backfilling sand seam encountered and repair of water leak in fire line, totaling \$162K), final balancing (reduction of \$68K), and items reconciling work with other packages (e.g., adjusting fire hydrant once final grades established and revising grading in other areas, totaling \$54K).

Schedule

The project will be completed and closed out by 12/31/10.

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 AMOUNT	ORIGINAL %	AFTER CO AMOUNT	AFTER CO %
Affordable Building Supplies, LLC	MBE	\$235,000	14.40%	\$235,000	14.34%
Bunny Trucking, Inc.	WBE	\$18,000	1.10%	\$18,000	1.05%
Paul I. Cripe, Inc.	MBE	\$10,000	0.61%	\$10,000	0.60%
Totals	MBE	\$245,000	15.01%	\$245,000	14.94%
	WBE	\$18,000	1.10%	\$18,000	1.05%

This information was approved by the Director of Supplier Diversity on November 19, 2010.

Recommendation

The IAA staff has reviewed the Change Order and recommends that the Board consider for approval a Change Order with Gradex, Inc. for Project #TT-044 in an amount not-to-exceed \$9,600.00.

CHANGE ORDER REQUESTS - MIDFIELD

BP2010-12-2

BOARD DATE:
December 17, 2010

Project NO.	CONTRACTOR	ORIGINAL CONTRACT AMT	THIS CHANGE ORDER REQUEST		CUM CHANGE PERCENT	NEW CONTRACT AMOUNT	Contract Description
			AMOUNT	PERCENT			
TT-044	Gradex, Inc.	\$ 1,632,100.00	\$ 9,600.00	0.59%	26.86%	\$ 2,070,429.37	Center Creek Drainage & Final Site Grading Change Order 10

\$ 9,600.00