



Agenda  
Indianapolis Airport Authority  
December 18, 2009  
8:30 a.m.

- I. Call to Order
- II. Approval of Minutes of the Regular Meeting of October 16, 2009
- III. Ordinances, Resolutions and Public Hearings
  - a) Presentation, Public Hearing & Consideration for Approval of General Ordinance 4-2009
    - i. Presentation by Jeremiah Wise - *Debt Transaction*
    - ii. Public Hearing and TEFRA Hearing on General Ordinance No. 4-2009, a Supplemental Ordinance of the Indianapolis Airport Authority authorizing the issuance and sale of one or more series of additional revenue bonds of said Authority, to be designated "Indianapolis Airport Authority Airport Revenue Bonds".
    - iii. Consider for approval, the adoption of General Ordinance No. 4-2009, a Supplemental Ordinance of the Indianapolis Airport Authority authorizing the issuance and sale of one or more series of additional revenue bonds of said Authority, to be designated "Indianapolis Airport Authority Airport Revenue Bonds".
  - b) Introduction of General Ordinance No. 5-2009 approving the 2010 Rates & Charges. Public Hearing to be held January 15, 2010.
  - c) Presentation & Consideration for approval of Resolution No. 16-2009
    - i. Presentation by Ricondo & Associates - *Airport System Study*
    - ii. Consider for approval adoption of Resolution No.16-2009 to affirm that Metropolitan Airport will remain open to the general public in its current location, as supported by the updated Airport System Study relating specifically that Metropolitan Airport has sufficient capacity and facilities for the aircraft which it is currently designed to handle.

- d) Consider for approval adoption of Resolution No.17-2009 concerning Greater Indianapolis Foreign Trade Zone (GIFTZ) Resolution for Alternative Site Framework Program.
- e) Consider for approval adoption of Resolution No. 18-2009 concerning 2009 Budget Appropriation Transfer.
- f) Consider for approval adoption of Resolution No. 19-2009 concerning dedication of Passenger Facility Charges ("PFC") & Customer Facility Charges ("CFC") Revenue to payment of debt service on revenue bonds 2011-2014.
- g) Consider for approval adoption of Resolution No. 20-2009 concerning an Amendment to IAA Retirement Plan.

#### IV. Board Reports

- a) President's Report

#### V. Official Actions

- a) Introduction of the IAA Consent Calendar dated December 18, 2009.
- b) Consider for approval each of the individual items listed on the IAA Consent Calendar Agenda dated December 18, 2009.

#### VI. Staff Reports

- a) CEO Report – John D. Clark, III
- b) Financial Report – Marsha Stone
- c) Passenger Activity Report – Christofer Matney
- d) Midfield Closeout – Greta Hawvermale
- e) IND Part 139 Inspection – Bob Duncan/Mike Medvescek
- f) IND Award Recognition – Patzetta Trice

#### VII. Other

#### VIII. Adjourn

The Regular Meeting of the Indianapolis Airport Authority Board was called to order at 8:35 a.m. October 16, 2009 in the Airport Board Room at Indianapolis International Airport.

**Present and comprising a quorum were:**

Mike Stayton, President  
Alfred R. Bennett, Secretary  
Alex Azar, Member  
Andrew Miller, Member  
Kelly Flynn, Member

Advisory Members attending:

Jack Morton  
Lynn Gordon  
Steve Dillinger

IAA staff attending:

John D. Clark III, Executive Director/CEO  
Marsha Stone, Chief Financial Officer  
Anne O'Connor, General Counsel  
Jennifer Tillman, Special Projects Officer  
Rex Joseph, IAA Counsel  
Beverly Terlaje, Recording Secretary

**APPROVAL OF MINUTES**

Upon a motion by Mr. Azar, seconded by Mr. Flynn and unanimously passed, approval was given to the Minutes of the Regular Meeting of September 18, 2009.

**ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS**

President Stayton provided an introduction of General Ordinance No. 4-2009, a Supplemental Ordinance of the Indianapolis Airport Authority authorizing the issuance and sale of one or more series of additional revenue bonds of said Authority, to be designated "Indianapolis Airport Authority Airport Revenue Bonds, Series 2009". Initial Hearing to be held October 16, 2009. Final Hearing to be held November 20, 2009.

Ms. Stone stated that a formal presentation will be made at the November board meeting and is currently working with the financial working group through all the alternatives.

Upon motion by Mr. Flynn, seconded by Mr. Bennett and unanimously passed, approval was given to adopt Resolution No.13-2009 – Policy concerning the participation and utilization of Minority Business Enterprises and Women Business Enterprises.

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Upon motion by Mr. Bennett, seconded by Mr. Flynn and unanimously passed, approval was given to adopt Resolution No.14-2009 – Signature Authority of Various Agreements and Permits as written and was amended to remove section #2 (The Board authorizes the Executive Director/CEO or his designee to sign amendments to the documents listed in Section 1, above, that do not result in an extension of more than sixty (60) months to an initial term and/or have a total annual value greater than \$500,000).

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Upon motion by Mr. Bennett, seconded by Mr. Flynn and unanimously passed, approval was given to adopt Resolution No.15-2009 granting the Executive Director/CEO authorization to apply for, and accept Offers extended to it by the Federal Aviation Administration, Transportation Security Administration or the Indiana Department of Transportation.

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President Stayton opened the public hearing on disposal of 2.759 acres at 3900 South Ronald Reagan Parkway to Six Points Developers LLC for the sum of \$140,000. With there being no discussions, the hearing was closed.

## **BOARD REPORTS**

President Stayton stated he had no reports.

## **OFFICIAL ACTIONS**

President Stayton asked that board paper BP2009-10-1 & BP2009-10-2, be treated as a separate item.

**APPROVAL OF THE INDIANAPOLIS AIRPORT AUTHORITY CONSENT CALENDAR DATED OCTOBER 16, 2009, WITH THE EXCEPTION OF BOARD PAPER BP2009-10-1 & BP2009-10-2:** Upon a motion by Mr. Bennett, seconded by Mr. Azar and passed by a majority vote, approval was given to the Consent Calendar dated October 16, 2009.

APPROVAL OF INDIVIDUAL ITEMS WITH THE EXCEPTION OF BOARD PAPER BP2009-10-1 & BP2009-10-2 LISTED ON THE INDIANAPOLIS AIRPORT AUTHORITY CONSENT CALENDAR DATED OCTOBER 16, 2009:

Upon a motion by Mr. Flynn, seconded by Mr. Bennett and passed by a majority vote, approval was given to accept the individual items listed on the Consent Calendar dated October 16, 2009.

Upon a motion by Mr. Azar, seconded by Mr. Flynn and passed by a majority vote, approval was given to accept Board Paper BP2009-10-1, the Lease Termination Agreement of Building #21 with Federal Express Corporation commencing retroactive to May 31, 2009. Due to a conflict of interest, Mr. Miller recused himself with respect to this transaction.

Upon a motion by Mr. Flynn, seconded by Mr. Azar and passed by a majority vote, approval was given to accept Board Paper BP2009-10-2, the Triturator Use Agreement with Federal Express Corporation commencing retroactive to December 1, 2008 and expiring December 31, 2011. Due to a conflict of interest, Mr. Miller recused himself with respect to this transaction.

**STAFF REPORTS**

**CEO REPORT**

Mr. Clark stated as we enter into 2010, the Airline Agreement will expire and is a critical subject that the Authority will be dealing with in the coming months. From a strategy standpoint, a team has been hired to assist the authority. Mr. Clark also stated that he looks forward to the discussions with the board about lease agreements as it relates to the board retreat in November.

Mr. Clark confirmed the speakers for the board retreat are from Delta Air Lines, Southwest Airlines and FedEx and they will be available to the board for any questions and discussions.

Mr. Clark stated that the ongoing process to form the management team is going well.

**CFO REPORT**

**Financial Report**

Ms. Stone provided a brief update of the Financial Report for August 2009 and year to date activity.

**PASSENGER ACTIVITY REPORT**

Chris Matney, Director of Air Service Development, provided a brief update on air service and passenger activity for August and year to date.

**MBE/WBE**

James Duke, Director of Diversity Programs provided a brief report on the MBE/WBE 3<sup>rd</sup> quarter report.

President Stayton asked why the capital awards for MBE's are significantly lower compared to operating. Mr. Duke stated that this was noted and the reasons include the type of projects we have been doing and the priority of those projects as well as there being more pavement projects this year. Additionally, there are a lot of companies self performing on those projects, which makes it difficult to get the MBE/WBE participation.

**Midfield Project**

Greta Hawvermale, Director of Engineering & Environmental Matters provided a brief report on the Midfield Project Closeout and stated that we are making progress in the closeout and should be able to report that we are closed out by the end of the year, with the exception of some claims issues where litigation may be involved such as the shoring tower incident in which we have insurance companies involved.

**OTHER BUSINESS**

Mr. Flynn recognized Mr. Jack Morton on his achievement in becoming a certified flight instructor.

**ADJOURN**

There being no further business, the meeting was adjourned at 9:35 a.m.

INDIANAPOLIS AIRPORT AUTHORITY\*

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Michael B. Stayton, President

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Alfred R. Bennett, Secretary

Date: \_\_\_\_\_

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



## BOARD MEMO

To: IAA Board of Directors

From: Marsha Stone, Chief Financial Officer

Date: December 11, 2009

Board Date: December 18, 2009

Subject: Adoption of General Ordinance No. 4-2009

The Authority staff is asking the Board to adopt General Ordinance No. 4-2009 (the "Ordinance"), a supplemental ordinance authorizing the Airport Authority to issue Airport Revenue Bonds, Series 2010. The Series 2010 Bonds were formerly titled Series 2009 Bonds, however due to the cancellation of the November 20, 2009 IAA Board Meeting the closing of the Bonds has been moved into January 2010 (see revised schedule below). The Ordinance is a supplement to the Authority's master ordinance, initially adopted in 2002. The 2010 bonds are a part of the Authority's plan of finance to fund the approved capital program as reviewed with the Finance and Audit Committee. The Authority has previously issued six (6) series of bonds under the master ordinance. The Ordinance will permit the Authority to issue new money and refunding bonds.

The schedule for the 2010 bond issue includes:

Finance & Audit Committee reviewed	
Plan of Finance	November 10 <sup>th</sup>
Presentations made to rating agencies	November 12 <sup>th</sup> and 19 <sup>th</sup>
Adoption of General Ordinance 4-2009	December 18 <sup>th</sup>
Bond pricing	Week of January 11, 2010
Closing	Week of January 25, 2010

In addition, the Ordinance provides for the refunding of outstanding airport revenue bonds in the event that the refunding of the revenue bonds produces savings.

At the final hearing for adoption of the Ordinance at the December 2009 Board meeting, the Authority staff will present a summary of the anticipated financing.

**GENERAL ORDINANCE NO. 4-2009**

**A Supplemental Ordinance of the Indianapolis Airport Authority,  
authorizing the issuance and sale of one or more series of additional  
revenue bonds of said Authority to be designated "Indianapolis  
Airport Authority Airport Revenue Bonds, Series 2010"  
to provide for the costs of refunding and modifying a portion of the  
Authority's outstanding debt, to provide for the costs of  
improvements, to safeguard the rights of the bondholders and  
other matters related thereto**

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EXHIBITS

- Exhibit A: Authorized Use of Net Proceeds
- Exhibit B: Form of 2010 Bonds

**GENERAL ORDINANCE NO. 4-2009**

**A Supplemental Ordinance of the Indianapolis Airport Authority, authorizing the issuance and sale of one or more series of additional revenue bonds of said Authority to be designated "Indianapolis Airport Authority Airport Revenue Bonds, Series 2010" to provide for the costs of refunding and modifying a portion of the Authority's outstanding debt, to provide for the costs of improvements, to safeguard the rights of the bondholders and other matters related thereto**

WHEREAS, the City Council of the City of Indianapolis did on May 1, 1961, adopt Special Ordinance No. 11-1961, authorizing the establishment of said airport authority district, which ordinance was duly approved by the Mayor of said City on May 2, 1961; and

WHEREAS, the Marion County Council did on June 8, 1961, and July 7, 1961, adopt its resolutions authorizing the establishment of said district; and

WHEREAS, the members of the board (the "Board") of the Indianapolis Airport Authority (the "Authority") were duly appointed and met in its initial organization meeting on January 1, 1962; and

WHEREAS, the Authority has continued to exist and is now governed by and operates pursuant to the recodified statutes set forth in IC 8-22-3, as amended (the "Act"), as a separate and distinct municipal corporation with authority to own and operate public airports; and

WHEREAS, the Board adopted General Ordinance No. 4-2002 on December 20, 2002, which amended and restated General Ordinance No. 6-1985, adopted on November 4, 1985, to authorize the issuance of Revenue Bonds (as defined therein) by supplement thereto, and subsequently adopted General Ordinance No. 7-2005 and General Ordinance No. 1-2008 to amend General Ordinance No. 4-2002 (as amended, the "Master Ordinance"); and

WHEREAS, the Master Ordinance provides that the Board may, from time to time, adopt ordinances to supplement and amend the Master Ordinance and authorize the issuance of additional Revenue Bonds (as defined herein); and

WHEREAS, the Board has determined that it may be necessary and desirable to currently refund all or a portion of the Outstanding Commercial Paper, the Prior AMT Bonds (as defined herein), and the 2003 Bonds (as defined herein) and to fund additional capital projects by the issuance of one or more series of additional Revenue Bonds pursuant to the Act and the Master Ordinance; and

WHEREAS, the Board wishes to delegate to any Authorized Airport Representative (as defined in the Master Ordinance) the power to approve the issuance of the 2010 Bonds (as defined herein) pursuant to this Supplemental Ordinance (the "Supplemental Bond Ordinance")

and other related documents and agreements, and to approve and enter into a termination, postponement, modification, adjustment or amendment of the Swaps (as defined herein); and

WHEREAS, the Board has determined that if a net savings is expected to result, an Authorized Airport Representative shall solicit and purchase bond insurance or other credit enhancement for the 2010 Bonds and to enter into one or more agreements or certificates with such insurers or credit providers deemed necessary by such Authorized Airport Representative.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF THE INDIANAPOLIS AIRPORT AUTHORITY:

ARTICLE I.

AUTHORITY AND DEFINITIONS

Section 1.1. Supplemental Ordinance. This Supplemental Bond Ordinance (the "Supplemental Bond Ordinance") is supplemental to, and is adopted in accordance with, Sections 5.01 and 9.02(f) of the Master Ordinance.

Section 1.2. Definitions. All terms which are defined in Article I of the Master Ordinance shall have the same meanings in this Supplemental Bond Ordinance, except as set forth in the following paragraphs with respect to the Bonds authorized herein

"2003 Bonds" means the term bonds maturing January 1, 2027 and January 1, 2033 and currently outstanding in the amount of \$36,660,000 as a part of the Indianapolis Airport Authority Airport Revenue Bonds, Series 2003A, currently outstanding in the amount of \$99,985,000.

"2004A Bonds" means the Indianapolis Airport Authority Airport Revenue Bonds, Series 2004A.

"2005A Bonds" means the Indianapolis Airport Authority Airport Revenue Bonds, Series 2005A.

"2006A Bonds" means the Indianapolis Airport Authority Airport Revenue Bonds, Series 2006A.

"2010 Account" means the 2010 Account of the Revenue Bond Reserve Fund created in Section 4.12 hereof.

"2010 Bonds" means, collectively, one or more series of the Bonds described in Article II hereof.

"2010 Debt Service Reserve Requirement" means the least of (i) 10% of the original stated principal amount of the Secured Bonds, (ii) the maximum annual debt service on the Secured Bonds, or (iii) 125% of the average annual principal and interest requirements on the Secured Bonds.'

"2010 Net Proceeds" means, collectively, the Net Proceeds of the 2010 Bonds, including the 2010A Net Proceeds.

"2010 Policy" means any bond insurance policy or policies purchased by the Authority for the 2010 Bonds.

"2010A Bonds" means the Indianapolis Airport Authority Airport Revenue Bonds, Series 2010A, authorized by this Supplemental Ordinance.

"2010A Capitalized Interest Account" means the 2010A Capitalized Interest Account of the Revenue Bond Interest and Principal Fund created in Section 4.9 hereof.

"2010A Construction Fund" means the fund by such name established pursuant to Section 4.8 hereof.

"2010A Net Proceeds" means the proceeds of the 2010A Bonds, less an amount deposited in the 2010 Account of the Revenue Bond Reserve Fund from the proceeds of the 2010A Bonds.

"2010A Projects" means the portion of the Capital Improvement Program financed with the proceeds of the 2010A Bonds.

"Capital Improvement Program" means the planned Capital Improvements through 2014, including, among other things, the 2010A Projects, expected to be made at the Airport, as shown on Exhibit A hereto, as annually updated and revised.

"Defeasance Obligations" means, when used with respect to this Supplemental Bond Ordinance, (i) direct obligations of the United States of America (including obligations issued or held in book-entry form), (ii) obligations the timely payment of the principal of and interest on which are fully guaranteed by the United States of America, (iii) certificates which evidence ownership of the right to the payment of the principal of or interest on obligations described in clauses (i) and (ii) provided that such obligations are held in the custody of a bank or trust company satisfactory to the Trustee in a special account separate from the general assets of such custodian, (iv) municipal obligations the timely payment of the principal of and interest on which is fully provided for by the deposit in trust or escrow of cash or obligations described in clauses (i), (ii) or (iii); and (v) obligations of, or unconditionally guaranteed as to payment of principal and interest by, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Financing Bank, the Federal Intermediate Credit Bank, Federal Banks for Corporations, Federal Land Banks, Federal Home Loan Banks, Farmers Home Administration and Federal Home Loan Mortgage Corporation, or of any other agency or corporation which has been or is hereafter created pursuant to an act of the Congress of the United States as an agency or instrumentality thereof, which obligations are not redeemable prior to maturity other than at the option of the holder thereof;.

"Interest Payment Date" means January 1 and July 1 of each year, beginning July 1, 2010.

"Outstanding Commercial Paper" means the \$25,000,000 of Subordinate Commercial Paper, Series 1999 issued on May 6, 2009, which is Outstanding at the time of issuance of the 2010 Bonds, a portion of which may be paid at

maturity (but within ninety (90) days after the date of closing on the 2010 Bonds) from a portion of the proceeds of the 2010 Bonds.

"Owner" means, for purposes of the 2010 Bonds, initially, the Underwriters and any subsequent holder thereof.

"Paying Agent" means The Bank of New York Mellon Trust Company, N.A. (as successor in interest to Bank One Trust Company, National Association), and its successors and assigns as paying agent for the 2010 Bonds.

"Prior AMT Bonds" means the 2004A Bonds currently outstanding in the amount of \$209,085,000, the 2005A Bonds currently outstanding in the amount of \$197,385,000 and the 2006A Bonds currently outstanding in the amount of \$381,080,000.

"Prior Projects" means the Capital Improvements made to the Airport System from the proceeds of any of the Refunded Bonds.

"Project Costs" means those Projects Costs defined in Section 1.01 of the Master Ordinance, except that Project Costs shall include, to the extent provided from moneys in the 2010A Capitalized Interest Account of the Revenue Bond Interest and Principal Fund, interest on the 2010A Bonds until the projects such Revenue Bonds finance are completed.

"Purchase Agreement" means one or more Bond Purchase Agreements entered into with regard to the 2010 Bonds by and between the Authority and the Underwriters.

"Record Date" means the June 15 and December 15 prior to any Interest Payment Date.

"Redemption Notice Information" means information in a written and dated notice from the Registrar which (a) identifies the 2010 Bonds to be redeemed by the name of the issue (including the name of the issuer and any series designation), CUSIP number, if any, date of issue, interest rate, maturity date and any other descriptive information the Registrar deems desirable to accurately identify the 2010 Bonds to be redeemed and, if only a portion of the 2010 Bonds will be redeemed, the certificate numbers and the principal amount of those 2010 Bonds to be redeemed, (b) identifies the date on which the notice is given and the date on which the 2010 Bonds will be redeemed, (c) states the price at which the 2010 Bonds will be redeemed, (d) states that the interest on the 2010 Bonds or the portions of them called for redemption will stop accruing from the redemption date if funds sufficient for their redemption and available for that purpose are on deposit with the Trustee on the redemption date, (e) states that payment for the 2010 Bonds will be made on the redemption date at the principal trust office of the Paying Agent during normal business hours upon the surrender of the 2010

Bonds to be redeemed in whole or in part, (f) identifies by name and phone number of a representative of the Registrar who may be contacted for more information, and (g) if such notice is a conditional notice, states that if the necessary moneys are not received by the Trustee on or prior to the redemption date, such notice shall be cancelled.

"Refunded Bonds" means any portion of the 2003 Bonds, the portion of the Outstanding Commercial Paper and the Prior AMT Bonds actually refunded with the 2010 Bonds.

"Registrar" means The Bank of New York Mellon Trust Company, N.A. (as successor in interest to Bank One Trust Company, National Association), and its successors and assigns as registrar for the 2010 Bonds.

"Secured Bonds" means any series of Revenue Bonds that are secured by the 2010 Account or the 2003 Account of the Revenue Bond Reserve Fund, including the 2010 Bonds, the 2003 Bonds and any additional Revenue Bonds which the Authority elects to include therein.

"Undertaking" means the Continuing Disclosure Undertaking Agreement executed by the Authority with respect to the 2010 Bonds.

"Underwriters" means Siebert Brandford Shank & Co., L.L.C., as representative of the underwriters of the 2010 Bonds, or any other such firm as shall be appointed by certificate of an Applicable Airport Representative.

[End of Article I]

## ARTICLE II.

### TERMS OF THE 2010 BONDS

Section 2.1. Name, Amount, Purpose, Authorization. The additional Revenue Bonds authorized by this Supplemental Bond Ordinance shall be issued in one or more series designated "INDIANAPOLIS AIRPORT AUTHORITY AIRPORT REVENUE BONDS, SERIES 2010\_" (with any sub-series designation specified at the time of issuance) (collectively, the "2010 Bonds"), with each separate series designated by distinct letter designation, each series to be issued in fully registered form and in a combined aggregate principal amount not to exceed Eight Hundred Million Dollars (\$800,000,000) with an amount not to exceed Thirty Million Dollars (\$30,000,000) of 2010 Bonds issued for the 2010A Projects and the remainder issued to refund the Refunded Bonds, as elected by the Authorized Airport Representative, are for the purposes set forth in Section 4.4 hereof, all under and pursuant to the authority of the Act, the Master Ordinance, this Supplemental Bond Ordinance and all other applicable law.

Section 2.2. Date and Denomination. The 2010 Bonds shall be originally dated the date of delivery, shall be issued in denominations of \$5,000 and integral multiples thereof, and numbered 10\_R-1 and upward with the series designation specified. Any 2010 Bonds delivered on transfer of or in exchange for other 2010 Bonds shall be numbered in order of their authentication by the Registrar, shall be in the denomination of \$5,000 or integral multiples thereof, and shall mature on the same date and bear interest at the same rate as the 2010 Bonds in lieu of which they are delivered.

Section 2.3. Manner of Payment, Characteristics, Execution and Authentication. The 2010 Bonds shall be payable, shall have the characteristics, shall be executed, attested, sealed, and shall be authenticated, all as provided and in the manner indicated in the form set forth in Exhibit B to this Supplemental Bond Ordinance. Specifically, interest on the 2010 Bonds is payable on each Interest Payment Date until the maturity or redemption date of such bond or until the Authority's obligation with respect to such bond has been satisfied. Interest on a 2010 Bond is payable from the Interest Payment Date next preceding the date of authentication thereof, except: (1) if the 2010 Bond is authenticated prior to June 15, 2010, then interest is payable from the initial issue date; (ii) if the 2010 Bond is authenticated during the period between a Record Date and the Interest Payment Date with respect thereto, then interest is payable from such Interest Payment Date; or (iii) if the payment on the 2010 Bond is in default, then interest is payable from the date to which interest has been paid in full. Interest on any 2010 Bonds shall be payable by check or draft mailed by the Paying Agent to the Owner of record as of the Record Date as shown on the books of registration kept by the Registrar.

If any officer of the Authority whose manual or facsimile signature shall appear on the 2010 Bonds, as provided in the form of 2010 Bonds, shall cease to be such officer before the authentication of the 2010 Bonds or before the delivery of the 2010 Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

Section 2.4. Ownership. The Authority, Trustee, Registrar and Paying Agent and any other person may treat the person in whose name any 2010 Bond is registered as the absolute owner of such 2010 Bond for the purposes of making and receiving payment of the principal thereof and premium, if any, thereon, and for the further purpose of making and receiving payment of the interest thereon, and for all other purposes, whether or not such 2010 Bond is overdue, and neither the Authority, the Trustee, the Registrar nor the Paying Agent shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Owner of any 2010 Bond in accordance with this Section shall be valid and effectual and shall discharge the liability of the Authority, Trustee, Registrar and Paying Agent upon such 2010 Bond to the extent of the sums paid.

Section 2.5. Registration, Transfer and Exchange. So long as any 2010 Bonds remain outstanding, the Registrar shall keep the register at its designated corporate trust operations office in which, subject to such reasonable regulations as it may prescribe, the Registrar shall provide for the registration and transfer of the 2010 Bonds in accordance with the terms of this Supplemental Bond Ordinance.

Each 2010 Bond shall be transferable only upon the presentation and surrender thereof at the designated corporate trust operations office of the Registrar, duly endorsed for transfer, or accompanied by an assignment duly executed by the Owner or his authorized representative in form satisfactory to the Registrar. Upon due presentation of any 2010 Bond for transfer, the Registrar shall authenticate and deliver in exchange therefor, within a reasonable time after such presentation, a new 2010 Bond or 2010 Bonds, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the 2010 Bond or 2010 Bonds so presented.

All 2010 Bonds shall be exchangeable upon the presentation and surrender thereof at the designated corporate trust operations office of the Registrar for a 2010 Bond or 2010 Bonds of the same maturity and interest rate and in any authorized denomination, in an aggregate principal amount equal to the unpaid principal amount of the 2010 Bond or 2010 Bonds presented for exchange. The Registrar shall be and is hereby authorized to authenticate and deliver exchanged 2010 Bonds in accordance with the provisions of this Section. Each 2010 Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Supplemental Bond Ordinance to the same extent as the 2010 Bond or 2010 Bonds in lieu of which such 2010 Bond is delivered.

The Authority or the Registrar may require the Owner of any 2010 Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such 2010 Bond. Any fee or charge of the Registrar for such transfer or exchange shall be paid by the Authority.

The Registrar shall not be required to transfer or exchange any 2010 Bond during any period between the Record Date and the next Interest Payment Date, during the fifteen (15) days prior to the mailing of any notice of redemption, or subsequent to the mailing of any notice of redemption of such Bond by the Registrar.

Section 2.6. Cancellation. All 2010 Bonds paid or redeemed in accordance with this Supplemental Bond Ordinance, and all 2010 Bonds or replacement 2010 Bonds authenticated and delivered in accordance herewith, shall be canceled and destroyed upon the making of proper records regarding such payment or redemption. The Registrar shall periodically furnish the Authority with certificates of destruction for such 2010 Bonds.

Section 2.7. Replacement Bonds. Upon the presentation and surrender to the Registrar of a mutilated 2010 Bond, the Registrar shall authenticate and deliver in exchange therefor a replacement 2010 Bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding. The Authority or the Registrar may require the Owner of such 2010 Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Registrar.

If any 2010 Bond is lost, apparently destroyed or wrongfully taken, the Authority, pursuant to the applicable laws of the State of Indiana and in the absence of notice or knowledge that such 2010 Bond has been acquired by a bona fide purchaser, shall execute and the Registrar shall authenticate and deliver a replacement 2010 Bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner thereof shall have:

- (a) furnished to the Authority and the Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such 2010 Bond;
- (b) furnished to the Authority and the Registrar such security or indemnity as may be required by the Registrar and the Authority to save them harmless;
- (c) paid all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Registrar and any tax or other governmental charge that may be imposed; and
- (d) met any other reasonable requirements of the Authority, the Paying Agent, the Trustee and the Registrar.

If, after the delivery of such replacement 2010 Bond, a bona fide purchaser of the original 2010 Bond in lieu of which such replacement 2010 Bond was issued presents for payment such original 2010 Bond, the Authority, the Paying Agent and the Registrar shall be entitled to recover such replacement 2010 Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and the Authority, the Paying Agent and the Registrar shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Authority, the Paying Agent or the Registrar in connection therewith.

If any such mutilated, lost, apparently destroyed or wrongfully taken 2010 Bond has become or is about to become due and payable, the Authority in its discretion may, instead of issuing a replacement 2010 Bond, authorize the Paying Agent to pay such 2010 Bond.

Each replacement 2010 Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Supplemental Bond Ordinance to the same extent as the 2010 Bond in lieu of which such replacement 2010 Bond is delivered.

Section 2.8. Paying Agent and Registrar, Appointment and Acceptance of Duties. The Bank of New York Mellon Trust Company, N.A., Indianapolis, Indiana, is hereby appointed as Registrar and Paying Agent for the 2010 Bonds. The Bank of New York Mellon Trust Company, N.A., shall signify its acceptance of the duties and obligations imposed upon it by the Master Ordinance and this Supplemental Bond Ordinance by executing and delivering a written acceptance thereof to the Authority and the Trustee.

Section 2.9. Book Entry Bonds. The Authority and the Registrar, may from time to time enter into, and discontinue, an agreement with a securities depository to establish procedures with respect to the 2010 Bonds not inconsistent with the provisions of the Ordinance; *provided, however,* that, notwithstanding anything in the Ordinance to the contrary, any such agreement may provide:

- (a) that such securities depository is not required to present a 2010 Bond to the Registrar to receive a partial payment of principal;
- (b) that such securities depository is not required to present a 2010 Bond or any portion thereof to receive payment of a purchase price;
- (c) that different provisions for notice to or by such securities depository may be set forth therein; and
- (d) that a legend may appear on each 2010 Bond so long as the 2010 Bonds are subject to such agreement.

With respect to 2010 Bonds registered in the name of a securities depository (or its nominee), neither the Registrar, nor the Authority shall have any obligation under the Ordinance to any of its members or participants or to any person on behalf of whom an interest is held in the 2010 Bonds. While an agreement with a securities depository is in effect, the procedures established therein shall apply to 2010 Bonds, notwithstanding any other provisions of the Ordinance to the contrary.

The 2010 Bonds are authorized to be and shall be issued initially, subject to the provisions of the Ordinance, as bonds authorized to be issued to and restricted to being registered in the name of a securities depository. The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns ("DTC") is hereby appointed as the initial securities depository for the 2010 Bonds.

So long as DTC is the securities depository for the 2010 Bonds, the Registrar must be a Direct Participant in DTC.

[End of Article II]

ARTICLE III.

FORM OF 2010 BONDS AND CERTIFICATES

Section 3.1. Form of 2010 Bonds. The 2010 Bonds shall be in substantially the forms attached hereto as Exhibit B, with such additions, deletions and variations as may be necessary or desirable and permitted by this Supplemental Bond Ordinance. The 2010 Bonds shall contain a recital that they are issued under IC 8-22-3.

[End of Article III]

ARTICLE IV.

PROVISIONS CONCERNING SALE AND APPLICATION  
OF PROCEEDS OF THE 2010 BONDS

Section 4.1. Sale of the 2010 Bonds.

(a) Sale of the 2010 Bonds shall be made to the Underwriter at a price of not less than 95% of the principal amount thereof as set forth in the Purchase Agreement. The amount paid by the Underwriter will also be net of an amount equal to the underwriter's discount for the 2010 Bonds and the premium paid for the 2010 Policy, if any. The costs of issuance of the 2010 Bonds and the cost of securing the 2010 Policy, if any, will be allocated ratably among the various series of 2010 Bonds and the costs of issuance for the 2010 Bonds paid from the 2010 Net Proceeds will not exceed 2% of the principal amount of the 2010 Bonds.

(b) The 2010 Bonds shall bear interest payable on each January 1 and July 1, commencing July 1, 2010, shall mature no later than January 1, 2049, and shall be subject to mandatory sinking fund redemption if term bonds are issued, on the dates and in the amounts set forth in the Purchase Agreement.

(c) An Authorized Airport Representative is authorized to approve the sale of the 2010 Bonds, subject to the following:

(i) the principal amount of the 2010 Bonds shall be in an amount not to exceed \$800,000,000 as determined by such Authorized Airport Representative and may be used to (A) pay all or a portion of the Outstanding Commercial Paper, the Prior AMT Bonds, and the 2003 Bonds, (B) finance costs of issuing the 2010 Bonds, (C) fund the 2010A Capitalized Interest Account of the Revenue Bond Interest and Principal Fund, (D) fund the 2010 Account of the Revenue Bond Reserve Fund so that the amounts in the 2010 Account and the 2003 Account equal the 2010 Debt Service Reserve Requirement, and (E) fund up to \$30,000,000 of the costs of the 2010A Projects with the remaining available proceeds; and

(ii) the combined yield on the 2010 Bonds, taking into account the amount paid for the 2010 Policy, if any, shall not exceed 6.5%

(d) The President or Vice President of the Authority is hereby authorized and directed to sign the Final Official Statement (as defined herein). The President or Vice President and the Secretary or Assistant Secretary are hereby authorized and directed to sign the 2010 Bonds and any one of them is authorized to enter into and execute the Purchase Agreement, the Undertaking, and any ancillary certificates or agreements for the 2010 Bonds on behalf of the Authority, each in substantially the form contemplated hereby, with such changes as may be deemed appropriate by an Authorized Airport Representative, the execution of such documents constituting conclusive evidence of the

approval of such changes. An Authorized Airport Representative shall approve the amount and final pricing of the 2010 Bonds, the selection of sinking fund redemptions and all other terms and conditions for the sale and issuance of the 2010 Bonds by his or her approval of the Purchase Agreement. The signatures of the President and Secretary on the 2010 Bonds may be facsimiles.

(e) Each Authorized Airport Representative is authorized to evaluate financial conditions in issuing the 2010 Bonds and to structure the 2010 Bonds and related transactions to include, without limitation, the refunding of a portion of the 2003 Bonds and the Outstanding Commercial Paper, and a tender for and refunding of the Prior AMT Bonds. Each Authorized Airport Representative, individually, is hereby authorized to execute any documents required to effect such actions.

Section 4.2. Approval, Registration and Initial Delivery. Any Authorized Airport Representative is hereby authorized to have control and custody of the 2010 Bonds and all necessary records and proceedings pertaining thereto pending their delivery, and other officers, employees and agents of the Authority are hereby authorized and instructed to make such certifications and to execute such instruments as may be necessary to accomplish the initial delivery of the 2010 Bonds. The Registrar is hereby authorized to manually authenticate said 2010 Bonds and any Authorized Airport Representative is authorized to deliver said 2010 Bonds to the Underwriters upon payment therefor. The 2010 Bonds shall not be issued, however, unless:

(a) No Default. An Authorized Airport Representative certifies that, upon the issuance of the 2010 Bonds, the Authority will not be in default under any term or provision of any Revenue Bonds then Outstanding or any ordinance pursuant to which any of such Revenue Bonds were issued.

(b) Proper Fund Balances. An Authorized Airport Representative certifies that, upon the issuance of the 2010 Bonds, the Revenue Bond Interest and Principal Fund will have the required amounts on deposit therein and that the 2010 Account of the Revenue Bond Reserve Fund will have on deposit an amount equal to the 2010 Debt Service Reserve Requirement, or so much thereof as is required to be funded at such time.

(c) Historical Coverage on Outstanding Bonds. An Authorized Airport Representative certifies that, for either the Authority's most recent complete Fiscal Year or for any consecutive 12 out of the most recent 18 months, the Net Revenues of the Airport System, together with moneys in the Coverage Fund (as of the last day of such period), were equal to at least 125% of the Debt Service Requirement for all Revenue Bonds for such period (without taking into account the Debt Service Requirement for the 2010 Bonds).

(d) Projected Coverage for the 2010 Bonds. An Authorized Airport Representative shall submit to the Trustee a certification that, for either the Authority's most recent Fiscal Year or for any consecutive twelve (12) months out of the most recent

eighteen (18) months, the Net Revenues of the Airport System, together with moneys in the Coverage Fund, were equal to at least 125% of the maximum Debt Service Requirement of the 2010 Bonds in any future Fiscal year.

Section 4.3. Offering Documents. The Authority hereby ratifies the preparation and authorizes the distribution by the Underwriter of the preliminary official statement pertaining to the 2010 Bonds (the "Preliminary Official Statement"). The Preliminary Official Statement is hereby authorized to be deemed and determined by an Authorized Airport Representative, on behalf of the Authority, as of its date, to constitute the "final" official statement with respect to the 2010 Bonds to be offered thereby, subject to completion as permitted and approved by the Underwriters pursuant to the provisions of Rule 15c2-12 of the Securities and Exchange Commission (the "SEC Rule"), and authorized and approved to be placed into final form and distributed and delivered by the Underwriters to purchasers and potential purchasers of the 2010 Bonds offered thereby as the final official statement of the Authority, as of the date thereof (the "Final Official Statement"), with respect to the 2010 Bonds. The Authority also hereby approves the offering documents to be used in connection with the tender process related to the Prior AMT Bonds in the form substantially similar to the Preliminary Official Statement, with such changes as may be approved by an Authorized Airport Representative.

Section 4.4. Application of Proceeds of 2010 Bonds and Other Funds. Proceeds from the sale of the 2010 Bonds shall, promptly upon receipt by the Authority, be applied as follows:

(a) An amount, if any, determined by an Authorized Airport Representative shall be deposited in the 2010A Construction Fund which shall be sufficient to pay all or a portion of the Outstanding Commercial Paper within ninety (90) days of the closing date for the 2010 Bonds; and

(b) An amount, if any, determined by an Authorized Airport Representative shall be deposited with the Trustee which shall be sufficient to pay all or a portion of the 2003 Bonds within ninety (90) days of the closing date for the 2010 Bonds; and

(c) An amount, if any, determined by an Authorized Airport Representative shall be deposited with the Trustee which shall be sufficient to pay all or a portion of the Prior AMT Bonds within ninety (90) days of the closing date for the 2010 Bonds; and

(d) Amounts determined by an Authorized Airport Representative shall be deposited into the 2010 Account from the proceeds of the 2010 Bonds as required to cause the combined amounts on deposit in the 2010 Account and the 2003 Account to equal the 2010 Debt Service Reserve Requirement, or so much thereof as is required to be deposited on such date; and

(e) An amount determined by an Authorized Airport Representative shall be deposited into the 2010A Capitalized Interest Account from proceeds of the 2010A Bonds which shall be applied in accordance with Section 4.9 hereof; and

(f) The remaining proceeds of the 2010 Bonds shall be deposited in the 2010A Construction Fund created by the Authority and held by the Trustee in accordance with Section 4.8 hereof.

Section 4.5. No Arbitrage. The Authority certifies that based upon all facts and estimates now known or reasonably expected to be in existence on the date the 2010 Bonds are delivered and paid for, the Authority reasonably expects that the proceeds of the 2010 Bonds will not be used in a manner that would cause any 2010 Bond to be an "arbitrage bond" under Section 148 of the Internal Revenue Code of 1986, as amended and existing on the date of issuance of the 2010 Bonds (the "Code"). Furthermore, all officers, employees and agents of the Authority are authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the Authority as of the date the 2010 Bonds are delivered and paid for. In particular, all or any officers of the Authority are authorized to certify for the Authority the facts and circumstances and reasonable expectations of the Authority on the date the 2010 Bonds are delivered and paid for regarding the amount and use of the proceeds thereof. Moreover, the Authority covenants that it shall make such use of the proceeds of the 2010 Bonds, regulate investments of proceeds thereof and take such other and further actions as may be required so that the 2010 Bonds shall not be "arbitrage bonds" under Section 148 of the Code and regulations prescribed from time to time thereunder.

Section 4.6. TEFRA Hearings. The Authority conducted a public hearing (a "TEFRA hearing") on the date of adoption hereof, and requisite notice of the TEFRA hearing was published no less than 14 days before such TEFRA hearing in newspapers of general circulation available to residents of Hamilton County, Hancock County, Hendricks County and Marion County, Indiana. The Authority conducted the TEFRA hearing in a manner that provided a reasonable opportunity for persons with differing views on the issuance of the 2010 Bonds to be heard and public approval for the issuance of the 2010 Bonds to be procured, all as required by Section 147(f) of the Code.

Section 4.7. Tax Covenants. In order to preserve the exclusion from gross income of the interest on the 2010 Bonds under Section 103 of the Code as required by Section 6.09 of the Master Ordinance, the Authority hereby certifies and covenants as follows:

(a) Certain proceeds of the 2010 Bonds may be used to pay the Refunded Bonds (the "Refunding Proceeds"). All remaining proceeds of the 2010 Bonds are herein referred to as the "New Money Proceeds." All Refunding Proceeds, if any, will be used to refund the Refunded Bonds. To the extent that there are any Refunding Proceeds, at least 95% of the proceeds of such Refunded Bonds were used to finance the Prior Projects. At least 95% of the New Money Proceeds, including interest earned thereon, less an allocable portion of the 2010 Debt Service Reserve Requirement deposited pursuant to Section 4.4(b) hereof will be used to pay Project Costs of the 2010A Projects. Each 2010A Project and, to the extent that there are any Refunding Proceeds, each Prior Project constitutes a facility which is directly related and essential to:

(i) Servicing aircraft or enabling aircraft to take off and land; or

- (ii) Transferring passengers or cargo to or from aircraft,

or which constitute facilities which are functionally related and subordinate to the Airport System. A facility (or part thereof) is functionally related and subordinate to the Airport System if (i) it is of a size and character commensurate with the size and character of the Airport System, and (ii) it is located at or adjacent to an airport within the Airport System. Unimproved land (including agricultural land) that is adjacent to any airport in the Airport System and that is impaired by a significant level of airport noise is functionally related and subordinate to the Airport System if after its acquisition that land will not be converted to a use that is incompatible with the level of airport noise. Adjacent land with existing improvements also may be functionally related and subordinate to the Airport System by reason of impairment of a significant level of airport noise but only if the use of such land before its acquisition was incompatible with the airport noise level, its use after the acquisition is to be compatible with the level of airport noise, and the post-acquisition use will be essentially different from the pre-acquisition use. However, notwithstanding the foregoing, an interest in such improved land acquired solely to mitigate damages attributable to Airport System noise is treated as functionally related and subordinate to the Airport System.

- (b) (i) Each 2010A Project and each Prior Project is owned by the Authority for federal income tax purposes. Except as described in paragraphs (ii) and (iii) below, none of the Prior Projects and none of the 2010A Projects are or will be leased to or managed by any person other than the Authority.

- (ii) Certain of the Prior Projects and the 2010A Projects may be leased by the Authority or otherwise used in the trade or business of a party other than the Authority under: (i) an Agreement and Lease of Premises at Indianapolis International Airport (or any other such agreement as may be in effect from time to time) with the Authority and each respective airline (collectively, the "Airline Agreements"), pursuant to which the Authority is the owner of such Prior Projects and 2010A Projects for federal income tax purposes; or (ii) a lease (A) which has a lease term (as defined in Section 168(i)(3) of the Code) which will not be more than 80% of the reasonably expected economic life (as defined in Section 147(b) of the Code) of such respective Prior Projects and 2010A Projects to which such lease relates, (B) pursuant to which the lessee has no option to purchase such Prior Projects and 2010A Projects, and (C) pursuant to which the lessee shall make an irrevocable election (binding upon it and all successors in interest) not to claim depreciation or investment credit with respect to such Prior Projects and 2010A Projects; or (iii) any other agreement or lease which in the opinion of nationally recognized bond counsel does not adversely affect the exclusion from gross income of the interest on the 2010 Bonds for federal income tax purposes.

- (c) At least 95% of the proceeds of the Refunded Bonds and 95% of the New Money Proceeds were or will be spent on the Prior Projects or the 2010A Projects which do not constitute:

- (i) A lodging facility;
- (ii) A retail facility (including food and beverage facilities) in excess of a size necessary to serve passengers and employees at the Airport;
- (iii) A retail facility (other than parking) for passengers or the general public located outside of the airport terminals; or
- (iv) Any office building for individuals who are not employees of a governmental unit or of the operating authority for the Airport.
- (v) An industrial park or manufacturing facility.

(d) Each Prior Project and each 2010A Project serves or is available on a regular basis for general public use, as contrasted with a facility which is constructed for the exclusive use of a limited number of persons in their trades or businesses. A facility will so qualify even if it is owned by, or leased to or permanently assigned to, a person other than the Authority, provided that such person directly serves the general public, such as a common passenger carrier or freight carrier. None of the Prior Projects or the 2010A Projects will, by reason of a formal or informal agreement or by reason of geographic location, not be available for general public use.

(e) (i) (A) On December 20, 2002, October 20, 2004, September 23, 2005, May 19, 2006 and May 2, 2008, the Authority adopted General Ordinance No. 3-2002, General Ordinance No. 4-2004, General Ordinance No. 8-2005, General Ordinance No. 3-2006 and General Ordinance No. 2-2008, authorizing the issuance of the 2003 Bonds, the 2004A Bonds, the 2005A Bonds, the 2006A Bonds and the 2008A Bonds, respectively, and on June 6, 2008, October 3, 2008, November 21, 2008, and March 20, 2009, the Authority adopted General Ordinance No. 7-2008 authorizing the issuance of the Outstanding Commercial Paper, and all such ordinances constitute Notices of Intent under Section 1.150-2 of the Regulations (the "Prior Official Actions").

(B) No reimbursement to the Authority was made from the proceeds of the Refunded Bonds or the Outstanding Commercial Paper for any expenditure(s) paid by the Authority prior to the applicable Prior Official Action for such series of Refunded Bonds and Outstanding Commercial Paper.

(ii) The original use of each of the 2010A Projects is not expected to commence prior to the issue date of the 2010A Bonds. The Authority, by adoption of this Supplemental Bond Ordinance (which shall constitute Notice of Intent under Section 1.150-2 of the Regulations) approves each of the 2010A Projects and such date of adoption is not more than sixty (60) days after the time that moneys were expended for the purposes of the 2010A Projects. Prior to the approval of any of the 2010A Projects for which reimbursement is sought from

proceeds of the 2010A Bonds, the Authority expected to reimburse itself for such Project Costs from the proceeds of the 2010A Bonds.

(f) The weighted average maturity of the 2010 Bonds shall not exceed 120% of the weighted average reasonably expected remaining economic life of the 2010A Projects and the Prior Projects computed in the manner prescribed by Section 147(b) of the Code.

(g) No more than 25% of the net proceeds of the Refunded Bonds refunded by the 2010 Bonds were used and no more than 25% of the Net Proceeds of the 2010 Bonds will be used (directly or indirectly) for the acquisition of land (or any interest therein) unless:

(i) such land is acquired for noise abatement or wetland preservation, or for future use as an airport; and

(ii) there is no other significant use of such land.

(h) (i) Net proceeds of the Refunded Bonds were used for the acquisition of property (or any interest therein), other than land, only if the first use of such property was by the Authority.

(ii) Net Proceeds of the 2010 Bonds will be used for the acquisition of property (or any interest therein), other than land, only if the first use of such property is by the Authority.

(i) No portion of the proceeds of the Outstanding Commercial Paper and the Refunded Bonds refunded by the 2010 Bonds was used and no portion of the proceeds of the 2010 Bonds will be used to provide any airplane, skybox or other private luxury box, health club facility, facility primarily used for gambling, or a store the principal purpose of which is the sale of alcoholic beverages for consumption off the premises.

(j) The issuance costs (excluding costs relating to bond insurance, if any) payable from the 2010 Bonds shall not exceed 2% of the proceeds of the 2010 Bonds.

(k) Each 2010 Bond shall be issued in registered form.

(l) The payment of principal or interest with respect to any 2010 Bond shall not be guaranteed (in whole or in part) by the United States or any agency or instrumentality thereof. For purposes of this subparagraph, grants and entitlements received from the federal government and passenger facility charges paid to the Authority shall not constitute a guaranty of the payment of principal or interest with respect to any 2010 Bond by the United States or any agency or instrumentality thereof.

(m) The proceeds of the 2010 Bonds shall not be used in making loans, the payment of the principal or interest with respect to which is to be guaranteed (in whole or in part) by the United States (or any agency or instrumentality thereof).

(n) The proceeds of the 2010 Bonds shall not be invested (directly or indirectly) in federally insured deposits or accounts except:

(i) proceeds of the 2010 Bonds invested for an initial temporary period until used to finance the 2010A Projects.

(ii) proceeds of the 2010 Bonds, if any, invested for an initial temporary period until used to pay the Outstanding Commercial Paper and the Refunded Bonds.

(iii) investments in a bona fide debt service fund.

(iv) investments in a reasonably required reserve fund within the meaning of Section 148(d) of the Code, or

(v) investments in bonds issued by the United States Treasury.

(o) The proceeds of the 2010 Bonds shall not be used to advance refund any other tax-exempt obligation.

(p) None of the New Money Proceeds will be used to reimburse the Authority for an expenditure paid more than sixty (60) days prior to the date this Supplemental Bond Ordinance is adopted.

(q) The Authority shall file or cause to be filed on or before February 15, 2010, the information return for private activity bonds on Form 8038 with the Internal Revenue Service Center, Ogden, Utah, relating to the 2010 Bonds.

(r) Any Authorized Airport Representative is hereby authorized to execute a definitive tax representation certificate at the closing of the 2010 Bonds pertaining to the representations contained in this Section 4.7.

Section 4.8. 2010A Construction Fund. (a) There is hereby created and established with the Trustee, a construction fund to be designated the "2010A Construction Fund" (the "2010A Construction Fund"). Moneys shall be deposited to the 2010A Construction Fund pursuant to Section 4.4(a), Section 4.4(e), this Section 4.8 and Section 4.9 hereof, as applicable. Additionally, funds held in the 2010A Construction Fund shall be used to pay the costs of issuing the 2010 Bonds. The funds in the 2010A Construction Fund and the investment earnings thereon shall be paid by the Trustee to the Authority to be used for refunding the Outstanding Commercial Paper at maturity and paying the Project Costs of the 2010A Projects and the various costs of issuance upon submission of a requisition by an Authorized Airport Representative.

(b) All moneys remaining in the 2010A Construction Fund after payment or provision for payment has been made for all Project Costs of the 2010A Projects shall be transferred pursuant to Section 4.18 of the Master Ordinance and may be invested as permitted in the Master Ordinance, but the moneys remaining in the 2010A Construction

Fund may not be invested (without an opinion of Ice Miller LLP, or another nationally recognized bond counsel selected by the Authority, to the effect that such investment will not adversely affect the exclusion from gross income of the interest on the 2010A Bonds) in a manner which produces a yield on such investments greater than the yield on the 2010A Bonds, determined in accordance with Section 148 of the Code.

(c) Upon the occurrence of any Event of Default under the Master Ordinance, the Trustee shall apply all moneys in the 2010A Construction Fund in accordance with the provisions of the Master Ordinance.

Section 4.9. 2010A Capitalized Interest Account. There is hereby created and established an account of the Revenue Bond Interest and Principal Fund to be designated the "2010A Capitalized Interest Account" which shall be funded in accordance with Section 4.4(i) hereof. Moneys deposited in the 2010A Capitalized Interest Account pursuant to Section 4.4(e) hereof may be applied to pay interest on the portion of the 2010A Bonds, used to pay for 2010A Project Costs not yet placed in service on each Interest Payment Date to the extent that the Authority directs the Trustee. The Authority covenants to apply such moneys to the payment of interest on such Revenue Bonds only to the extent that such use is permitted by Section 4.7(a) hereof. Whenever the Authority certifies to the Trustee that the use of additional moneys in the 2010A Capitalized Interest Account is not permitted by Section 4.7(a) hereof, all remaining moneys in the 2010A Capitalized Interest Account shall be transferred to the 2010A Construction Fund. Investment earnings earned on amounts held in the 2010A Capitalized Interest Account shall be transferred to the 2010A Construction Fund.

Section 4.10. Redemption.

(a) Optional Redemption. All or a portion of the 2010 Bonds may be non-callable prior to maturity as agreed to by an Authorized Airport Representative in the Purchase Agreement.

(b) Any 2010 Bonds redeemed pursuant to this Section 4.10 must be delivered by the Owners thereof to the Trustee on the redemption date, and upon the delivery of the applicable redemption price to the Trustee, such amount will be paid to the Owner thereof. Any 2010 Bond required to be delivered on the redemption date and not so delivered will be deemed delivered by the Owner thereof as of such date and, assuming that the redemption price has been delivered to the Trustee, such 2010 Bond will cease to bear interest on such date.

(c) Sinking Fund Redemption. Any Authorized Airport Representative is authorized to sell, on behalf of the Authority, all or part of the 2010 Bonds as term bonds with sinking fund provisions. To the extent that one or more of the 2010 Bonds constitutes a term bond subject to sinking fund redemption (the "Term Bonds") such Term Bonds shall be subject to mandatory redemption prior to maturity in the amounts specified in the Purchase Agreement (subject to reduction as hereinafter provided), on the dates therein stated, at a price equal to the principal amount redeemed plus accrued interest to the date fixed for redemption, subject to the conditions set forth below.

On or before the day which is 45 days prior to the date in which there are mandatory redemption requirements for any Term Bonds, the Registrar shall (i) determine the principal amount of such Term Bonds that must be mandatorily redeemed on such upcoming mandatory redemption date, after taking into account deliveries for cancellation and optional redemptions as more fully provided for below, (ii) select, by lot or other customary random method, the Term Bonds or portions of Term Bonds of such maturity to be mandatorily redeemed on such upcoming mandatory redemption date, and (iii) give notice of such redemption as provided below. If there is any optional or extraordinary optional redemption or purchase for cancellation of 2010 Bonds which are Term Bonds, one or more of the sinking fund installments thereafter to become due shall, in any manner which the Authority elects, as evidenced by written instructions delivered to the Trustee (such election to occur prior to the date forty-five (45) days prior to the next sinking fund date for such 2010 Bond), be credited with an amount which is equal to the amount of 2010 Bonds so redeemed or purchased.

Section 4.11. Notice of Redemption. Notice of the call for any redemption shall include the Redemption Notice Information and shall be given by the Registrar by mailing a copy of such notice of redemption by registered or certified mail not less than thirty (30) or more than sixty (60) days prior to the redemption date to the Holder at the address shown on the Registrar's books; provided, however, that failure to give such notice by mailing or a defect in the notice or the mailing as to any 2010 Bonds will not affect the validity of any proceedings for redemption as to any other 2010 Bond for which notice is adequately given.

Upon the happening of the above conditions, the 2010 Bonds, or portions thereof, thus called for redemption shall not bear interest after the applicable redemption date, shall no longer be protected by the Master Ordinance and shall not be deemed to be Outstanding under the provisions of the Master Ordinance. The Paying Agent shall redeem or purchase, in the manner provided in this Section 4.11, such an aggregate principal amount of 2010 Bonds at the principal amount thereof plus accrued interest to the redemption date, and premium, if any, as will exhaust as nearly as practicable such funds. At the direction of the Authority, such funds may be invested in Defeasance Obligations until needed for such redemption. All redemption payments made under this Supplemental Bond Ordinance will be accompanied with the CUSIP numbers of the 2010 Bonds being redeemed and the amount of the redemption payment allocable to each CUSIP number.

Any notice of redemption may provide that, if at the time of mailing of notice of redemption there shall not have been deposited with the Trustee moneys sufficient to redeem all 2010 Bonds called for redemption, such notice may state that it is conditional, that is, subject to the deposit of the redemption moneys with the Trustee not later than the date of redemption of such bonds, and that such notice shall be of no effect unless such moneys are so deposited. In the event sufficient moneys are not on deposit on the required date, then the redemption shall be canceled and on such cancellation date notice shall be mailed to the holders of such 2010 Bonds to be redeemed, in the manner provided above.

Section 4.12. Revenue Bond Reserve Fund. The Authority hereby creates the "2010 Account" of the Revenue Bond Reserve Fund and hereby elects to secure the "Secured Bonds",

as well as any additional Revenue Bonds the Authority so elects in the future, on a pro rata basis with the 2010 Bonds and the 2003 Bonds with the 2010 Account and the 2003 Account.

An amount necessary to make the funds on deposit in the 2010 Account, when added to the amounts on deposit in the 2003 Account, equal to the 2010 Debt Service Reserve Requirement shall be deposited in the 2010 Account as described in Section 4.4(b) hereof. In any month in which the 2010 Account and the 2003 Account (the "Securing Accounts") contain less than the 2010 Debt Service Reserve Requirement, then, on or before the last business day of such month, after making all required payments and provisions for payment of Operation and Maintenance Expenses and after making all required transfers to the Revenue Bond Interest and Principal Fund, there shall be transferred into the such accounts from the Airport System Fund an amount sufficient to reestablish in such accounts the 2010 Debt Service Reserve Requirement. After the 2010 Debt Service Reserve Requirement has been accumulated in the 2010 Account and the 2003 Account and for so long thereafter as such accounts contain such amounts, no further transfers shall be required to be made to such accounts. In the event and to the extent that moneys in the Securing Accounts exceed the 2010 Debt Service Reserve Requirement, such excess moneys shall be transferred from such account as the Authority shall direct to the Capital Improvement Fund. Moneys in the Securing Accounts shall be used to pay principal of, and interest on, the Secured Bonds on a pro rata basis in the event and to the extent that available funds in the Revenue Bond Interest and Principal Fund are insufficient for such purpose, and such moneys in the Securing Accounts may also be used to make the final payments for the retirement or defeasance of any of the Secured Bonds then Outstanding to the extent the amount remaining in the Account exceeds the Debt Service Reserve Requirement for the remaining Secured Bonds.

The Authority may satisfy the 2010 Debt Service Reserve Requirement, by delivery to the Trustee of a surety bond, an insurance policy or a letter of credit with a rating, at the time of deposit to 2010 Account, of at least "AA-" or its equivalent (each, a "Reserve Policy"). The issuer of each Reserve Policy must be rated by each Rating Agency then rating such applicable series of Revenue Bonds or such Rating Agency must consent to the delivery of each such Reserve Policy. The obligation of the Authority to fund the applicable reserve requirement shall be deemed satisfied as of any date to the extent of the then available balance of any Reserve Policy; *provided, however*, that the applicable reserve requirement shall not be satisfied if, on the date of delivery of a Reserve Policy, the rating on any Revenue Bond issued by any Rating Agency would be reduced or withdrawn as a result of the delivery of such Reserve Policy. If a disbursement is made pursuant to a Reserve Policy, the Authority must be obligated (i) to reinstate the maximum limits of such Reserve Policy or (ii) to deposit into the 2010 Account of the Revenue Bond Reserve Fund moneys in an amount equal to the disbursement made under such Reserve Policy, or a combination of such alternatives, as would provide that the Securing Accounts of the Revenue Bond Reserve Fund have all of the moneys on deposit as it shall be required to have at such time.

[End of Article IV]

ARTICLE V.

INSURANCE AND RATING AGENCY ASSURANCES

Section 5.1. Additional Provisions. The Authority hereby authorizes any Authorized Airport Representative to solicit bids for providing an insurance policy guaranteeing the 2010 Bonds and authorizes such party to enter into and execute such agreement or agreements with any insurer and, if necessary, the Trustee for purposes of undertaking certain obligations needed to secure an appropriate and desirable insurance fee and rating on the 2010 Bonds. In addition, the President and Secretary are hereby authorized to execute such agreement or agreements as approved by an Authorized Airport Representative.

[End of Article V]

## ARTICLE VI.

### MISCELLANEOUS

Section 6.1. Construction and Severability. If any section, paragraph, clause or provision of this Supplemental Bond Ordinance shall for any reason be held to be inconsistent with the 2010 Bonds, invalid or unenforceable, the inconsistency, invalidity or unenforceability of such section, paragraph, clause or provision shall not affect the terms of the 2010 Bonds, or any of the remaining provisions of this Supplemental Bond Ordinance.

Section 6.2. Consent to Amendments of Master Ordinance. By purchasing the 2010 Bonds, the Underwriter, as purchaser, and all subsequent purchasers or Owners for themselves and on behalf of all future Owners of the 2010 Bonds, consent to the amendments authorized to be made to the Master Ordinance by General Ordinance No. 1-2008. By agreeing to provide insurance for the 2010 Bonds, the Insurer, if any, of the 2010 Bonds consents to the amendments authorized to be made to the Master Ordinance by General Ordinance No. 1-2008.

Section 6.3. Payment of Commercial Paper and Refunded Bonds. If an Authorized Airport Representative so determines, such Authorized Airport Representative is hereby authorized and directed to direct the Trustee to pay all or a portion of the outstanding principal amount of the Outstanding Commercial Paper and the Refunded Bonds with 2010 Net Proceeds within ninety (90) days of issuing the 2010 Bonds, all in accordance with the Master Ordinance.

Section 6.4. Investment of Net Proceeds. Any Authorized Airport Representative is hereby authorized to bid for, negotiate and enter into an agreement or agreements regarding the investment of the Net Proceeds of the 2010 Bonds.

Section 6.5. Repealer. All orders, resolutions and ordinances, or parts thereof, inconsistent herewith, are hereby repealed to the extent of such inconsistency.

Section 6.6. Effective Date. This Supplemental Bond Ordinance shall be in full force and effect on the date of its adoption.

[End of Article VI]

Adopted this \_\_\_\_ day of December, 2009.

INDIANAPOLIS AIRPORT AUTHORITY

By: \_\_\_\_\_  
Michael B. Stayton, President

By: \_\_\_\_\_  
Alfred R. Bennett, Secretary

Attest:

\_\_\_\_\_

APPROVAL OF MAYOR

Pursuant to IC 8-22-3-18.1, and Section 147(f) of the Code, I, as the highest elected public official as defined in Section 147(f) of the Code, hereby approve the issuance of the 2010 Bonds of the Indianapolis Airport Authority in an amount not to exceed \$800,000,000, with the portion to be expended on 2010A Projects not to exceed \$30,000,000.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

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Gregory A. Ballard, Mayor,  
City of Indianapolis, Indiana

**EXHIBIT A**

Authorized Use of Net Proceeds

1. Paying all or a portion of the Outstanding Commercial Paper and Refunded Bonds
2. Funding a portion of the Authority's Capital Improvement Program shown on Attachment I.

**EXHIBIT B**  
**FORM OF 2010 BOND**

(Face of Bond)

United States of America  
State of Indiana  
County of Marion

Number  
09R-\_\_\_\_

INDIANAPOLIS AIRPORT AUTHORITY  
AIRPORT REVENUE BONDS, SERIES 2010\_\_

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Initial Issue Date</u>
See Schedule I	See Schedule I	_____, 2010

Registered Owner: CEDE & CO.

Principal Amount: \$ \_\_\_\_\_

The INDIANAPOLIS AIRPORT AUTHORITY, a municipal corporation, situated in Marion and Hendricks Counties, Indiana (the "Authority"), for value received, hereby promises to pay, solely from the revenues hereinafter specified and from no other source, to the Registered Owner identified above or registered assigns, on the Maturity Dates specified in Schedule I to this Bond, the Principal Amount identified above, in installments on each Maturity Date specified in Schedule I to this Bond, in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due in the United States of America, and to pay, solely from such revenues, interest on the unpaid Principal Amount at the Interest Rates specified in Schedule I to this Bond, calculated on the basis of a 360-day year composed of twelve 30-day months. Interest on this bond is payable on each January 1 and July 1 (the "Interest Payment Date"), beginning July 1, 2010, until the maturity or redemption date of this bond or until the Authority's obligation with respect to this bond has been satisfied. Interest is payable from the Interest Payment Date next preceding the date of authentication hereof shown below, except: (1) if this bond is authenticated prior to June 15, 2010, then interest is payable from the Initial Issue Date; (ii) if this bond is authenticated during the period between a Record Date (as defined herein) and the Interest Payment Date with respect thereto, then interest is payable from such Interest Payment Date; or (iii) if the payment on this bond is in default, then interest is payable from the date to which interest has been paid in full. Interest on this bond shall be payable by check or draft mailed by the Paying Agent to the Owner

of record as of the previous December 15 and June 15 (the "Record Date") as shown on the books of registration kept by the Registrar.

This 2010\_\_ Bond is one of a duly authorized issue of Bonds titled "Indianapolis Airport Authority Airport Revenue Bonds, Series 2010", aggregating \$\_\_\_\_\_ in combined principal amount (the "2010 Bonds"), issued as "Indianapolis Airport Authority Airport Revenue Bonds, Series 2010A", aggregating \$\_\_\_\_\_, "Indianapolis Airport Authority Airport Revenue Bonds, Series 2010B", aggregating \$\_\_\_\_\_ (the "2010B Bonds"), "Indianapolis Airport Authority Airport Revenue Bonds, Series 2010C", aggregating \$\_\_\_\_\_ (the "2010C Bonds") and "Indianapolis Airport Authority Airport Revenue Bonds, Series 2010D", aggregating \$\_\_\_\_\_ (the "2010D Bonds" collectively with the 2010A Bonds, the 2010B Bonds and the 2010C Bonds, the "2010 Bonds"), each issued pursuant to General Ordinance No. 4-2002, as heretofore supplemented and amended, and as further amended by General Ordinance No. 7-2005 and General Ordinance No. 1-2008 and as supplemented by General Ordinance No. 4-2009 (herein collectively the "Ordinance") for the purpose of being applied, together with other lawfully available funds, to provide funds (i) to finance the project costs of various capital improvements of the Authority, (ii) to pay all or a portion of the Outstanding Commercial Paper and the Refunded Bonds (as defined in the Ordinance), (iii) to fund reserves, capitalized interest, bond insurance premiums, if any, and (iv) to pay the costs of issuance of the 2010 Bonds, issued under and pursuant to the authority of Indiana Code, Title 8, Article 22, Chapter 3, as amended. The owner of this bond is referred to, and agrees to, all the terms and provisions of the Ordinance by acceptance of this bond.

This bond and all of the 2010 Bonds are special obligations of the Authority that are equally and ratably payable from and secured by a lien on certain "Net Revenues" of the "Airport System" of the Authority, on a parity with the 2003A Bonds, the 2004A Bonds, the 2005A Bonds, the 2006A Bonds, the 2006B Bonds and the 2008A Bonds, all as defined in the Ordinance, which Net Revenues, are required to be set aside for and pledged to the payment of such Revenue Bonds outstanding under the Ordinance in the Revenue Bond Interest and Principal Fund. The 2010 Bonds are further secured by amounts in certain accounts of the Revenue Bond Reserve Fund required to be maintained, on a parity basis, for the payment of the 2010 Bonds and the 2003 Bonds, all as more fully described and provided for in the Ordinance. This bond and the issue of which it is a part, together with the interest thereon, are payable solely from such Net Revenues and do not constitute a general indebtedness or general obligation of the Authority. The owner of this bond shall never have the right to demand payment of this bond or the interest thereon out of any funds raised or to be raised by taxation.

The Authority has entered into a Continuing Disclosure Undertaking Agreement dated \_\_\_\_\_, with The Bank of New York Mellon Trust Company, N.A., as counterparty, with respect to the 2010 Bonds (the "Undertaking"), a copy of which is available from the Trustee and the terms of which are incorporated herein by this reference. The Undertaking contains certain agreements of the Authority to provide certain continuing disclosure. By its payment for and acceptance of this bond, the registered owner or holder of this bond accepts and assents to the Undertaking.

This bond shall not be valid or obligatory for any purpose or be entitled to any benefit under the Ordinance unless this bond is authenticated by the Registrar by due execution of the authentication certificate manually endorsed hereon. Such duly executed certificate of authentication shall be conclusive evidence that this bond was delivered by the Registrar under the provisions of the Ordinance.

On January 1, \_\_\_\_\_, or at any time thereafter the Authority shall have the option of calling all of the 2010\_ Bonds maturing on and after January 1, \_\_\_\_\_, for redemption prior to maturity, in whole or in part, for an amount equal to the accrued interest thereon to the date fixed for redemption, plus a redemption price (expressed as a percentage of the principal amount to be redeemed) as follows:

<u>Redemption</u>	<u>Price</u>
<u>Date</u>	

The 2010\_ Bonds maturing on January 1, 20\_\_\_\_ (the "Term Bonds"), are subject to mandatory redemption prior to maturity in the following amounts (subject to reduction as hereinafter provided), on the following dates, at a price equal to the principal amount redeemed plus accrued interest to the date fixed for redemption, subject to the conditions set forth below:

\$ \_\_\_\_\_ Term Bonds Maturing in 20 \_\_\_\_\_

<u>Mandatory Redemption</u>	<u>Principal</u>
<u>Date</u>	<u>Amount</u>
	\$

(Final Maturity)

On or before the day which is 45 days prior to the date in which there are mandatory redemption requirements for any Term Bonds, the Registrar shall (i) determine the principal amount of such Term Bonds that must be mandatorily redeemed on January 1 of such year, after taking into account deliveries for cancellation and optional redemptions as more fully provided for below, (ii) select, by lot or other customary random method, the Term Bonds or portions of Term Bonds of such maturity to be mandatorily redeemed on January 1 of such year, and (iii) give notice of such redemption as provided below. If there is any optional redemption or purchase for cancellation of 2010\_ Bonds which are Term Bonds, one or more of the sinking fund installments thereafter to become due shall, in any manner which the Authority elects in writing delivered to the Trustee (such election to occur prior to the date forty-five (45) days prior to the next sinking fund date for such 2010\_ Bond), be credited with an amount which is equal to the amount of 2010\_ Bonds so redeemed or purchased.

Principal may be redeemed in part only in integral multiples of \$5,000. If a 2010 Bond subject to redemption is in a denomination larger than \$5,000, a portion of such 2010 Bond may be redeemed, but only in integral multiples of \$5,000. In selecting portions of 2010 Bonds for redemption, the Registrar shall treat each such 2010 Bond as representing that number of 2010 Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such 2010 Bond by \$5,000. Upon surrender of any 2010 Bond for redemption in part, the Registrar, in accordance with the provisions of the Ordinance, shall authenticate and deliver in exchange therefor a 2010 Bond of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the 2010 Bonds so surrendered.

Notice of the call for redemption which includes the Redemption Notice Information (as defined in the Ordinance) shall be given by mailing a copy of such notice of redemption by registered or certified mail not less than thirty (30) nor more than sixty (60) days prior to the redemption date to the Owners of the 2010 Bonds to be redeemed to the address shown on the books of the Registrar; provided, however, that failure to give such notice by mailing or a defect in the notice or the mailing as to any 2010 Bonds will not affect the validity of any proceedings for redemption as to any other 2010 Bond for which notice is adequately given. If any 2010 Bonds have been called for redemption but have not been presented to the Paying Agent for payment within sixty (60) days after the date set for the redemption of the 2010 Bonds, the Registrar shall send to the Owners of those 2010 Bonds a second notice of redemption, which includes the Redemption Notice Information, within seventy-five (75) days after the date set for the redemption. Pursuant to the Ordinance, if a conditional notice of redemption is provided for any or all 2010 Bonds and sufficient moneys are not on deposit in the redemption account to make such redemption, in whole, on the Redemption Date, such notice of redemption shall be cancelled and the 2010 Bonds so called for redemption shall remain outstanding as if no notice of redemption had been sent.

Upon the happening of the above conditions, the 2010 Bonds, or portions thereof, thus called for redemption shall not bear interest after the applicable redemption date, shall no longer be protected by the Supplemental Bond Ordinance and shall not be deemed to be Outstanding under the provisions of the Ordinance.

Any notice of redemption may provide that, if at the time of mailing of notice of redemption there shall not have been deposited with the Trustee moneys sufficient to redeem all 2010 Bonds called for redemption, such notice may state that it is conditional, that is, subject to the deposit of the redemption moneys with the Trustee not later than the date of redemption of such bonds, and that such notice shall be of no effect unless such moneys are so deposited. In the event sufficient moneys are not on deposit on the required date, then the redemption shall be canceled and on such cancellation date notice shall be mailed to the holders of such 2010 Bonds to be redeemed, in the manner provided above.

This bond is transferable only upon presentation and surrender at the designated corporate trust operations office of the Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his authorized representative, subject to the terms and conditions of the Ordinance. The 2010 Bonds are exchangeable at the designated corporate trust operations office of the Registrar for the 2010 Bonds in the principal amount of \$5,000 or

any integral multiple thereof, subject to the terms and conditions of the Ordinance. The Registrar is not required to accept any 2010 Bonds for transfer or exchange during the fifteen (15) days prior to mailing of any notice of redemption, subsequent to the mailing of notice of redemption of such 2010 Bonds, or during the period from a Record Date to the Interest Payment Date with respect thereto.

The Authority has issued the 2010 Bonds on a parity with its Airport Revenue Bonds, Series 2003A, its Airport Revenue Bonds, Series 2004A, its Airport Revenue Bonds, Series 2005A, its Airport Revenue Bonds, Series 2006A, its Airport Revenue Bonds, Series 2006B and its Variable Rate Airport Revenue Bonds, Series 2008A, except as provided in the Ordinance with respect to the Revenue Bond Reserve Fund. The Authority has reserved the right to issue additional Revenue Bonds on a parity with such Bonds, except as provided in the Ordinance with respect to the Revenue Bond Reserve Fund.

The 2010 Bonds are secured in the manner and subject to the restrictions contained in the Ordinance. The Ordinance contains provisions permitting the Authority to provide for discharging the Authority's obligations on any bonds through defeasance, and to amend the Ordinance. Any amendment to the Ordinance shall be binding upon the Owner of this bond without endorsement hereon or any reference to such amendment, provided that no amendment shall permit (a) an extension of the maturity of the principal of or the interest on this bond, or (b) a reduction of the principal amount of this bond or the rate of interest thereon, or (c) a privilege or priority of any Revenue Bond or Revenue Bonds (as defined in the Ordinance) over any other Revenue Bond or Revenue Bonds, or (d) a reduction in the aggregate principal amount of Revenue Bonds required for consent to such amendment, without the consent of all holders of Outstanding Revenue Bonds.

It is hereby certified, recited and represented that the issuance of the 2010 Bonds is duly authorized by law; that all acts, conditions and things required to exist and be done precedent to and in the issuance of the 2010 Bonds to render the same lawful and valid have been properly done and performed and have happened in regular and due time, form and manner, as required by law; that due provision has been made for the payment of the principal of and interest on the 2010 Bonds by granting a lien on and pledge of the Net Revenues as provided in the Ordinance; and that the issuance of the 2010 Bonds does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Authority has caused its corporate seal to be impressed or placed in facsimile hereon and this bond to be signed by the President and attested by the Secretary of the Board of the Authority by their manual, lithographed, or printed facsimile signatures.

\_\_\_\_\_  
President

(SEAL)

Attest:

\_\_\_\_\_  
Secretary

The following abbreviations, when used in the inscription on the face of the within bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common  
TEN ENT - as tenants by the entirety  
JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT - \_\_\_\_\_ Custodian \_\_\_\_\_  
(Cust) (Minor)

under Uniform Gifts to Minors

Act \_\_\_\_\_  
(State)

Additional abbreviations may also be used though not in list above.

**ASSIGNMENT**

For value received, the undersigned hereby sells, assigns and transfers unto

\_\_\_\_\_  
(SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER)

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(Print or typewrite name, address, and zip code of transferee)

the within bond and hereby irrevocably constitutes and appoints \_\_\_\_\_  
\_\_\_\_\_, Attorney, to transfer said bond on the books kept for registration  
thereof, with full power of substitution in the premises.

DATED: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
Registered Owner

NOTICE: Signature must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

**AUTHENTICATION CERTIFICATE**

This bond is one of the 2010 Bonds described in and delivered pursuant to the within mentioned Ordinance.

THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A., Registrar

By: \_\_\_\_\_  
Authorized Officer

Authentication Date:

\_\_\_\_\_

**Schedule I**

Maturity Dates  
January 1, \_\_\_\_\_

Interest Rates  
\_\_\_\_\_ %

Principal Amount  
\$ \_\_\_\_\_



## Board Memo – 2010 Rates and Charges

To: IAA Board of Directors

From: John D. Clark, III, Executive Director/CEO

Date: November 25, 2009

Board Dates: December 18, 2009 and January 15, 2010

Subject: 2010 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, 2010. The following represents the changes that have been made from the current rates and charges ordinance:

1. Changes the structure of fees paid by hotel and motel service vehicles to per trip fees rather than a fee based upon numbers of rooms as had been done in prior years and to set that fee at \$1.00 per trip;
2. Changes the fingerprinting fee from \$45 to \$50 to reflect change in cost related to obtaining and storing this information through information clearinghouse;
3. Changes the Customer Facility Charge from \$3.00 per day to allow Executive Director/CEO to charge up to \$4.00 per day;
4. Changes the fuel flowage fee at Indianapolis International from \$0.06 per gallon to \$0.07;
5. Addition of photocopying fees as permitted under Indiana statute;
6. Addition of \$5.00 per copy charge for copies of motor vehicular accident reports as authorized under Indiana statute;
7. Addition of monitoring service fee for tenants who use the Authority's monitoring service and addition of written warnings and subsequent fees for false alarm calls;
8. Changes the processing fee at International Arrivals Building from a minimum of \$100 per flight or \$3.00 per person processed, whichever is greater, to a minimum of \$300 per flight or a \$3.00 per person processed, whichever is greater; and
9. Addition of aircraft recovery fee to permit the Authority to recover the costs related to the removal of disabled aircraft when this service is requested by representatives of Air Carriers or owners of general aviation aircraft.

Schedule

December 18, 2009

Introduction of Ordinance 5-2009

January 15, 2009

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 2010 approved operating and capital budgets of the Authority.

Diversity Participation

Not applicable.

## GENERAL ORDINANCE 5-2009

**WHEREAS**, the Indianapolis Airport Authority Board ("Authority"), pursuant to I.C. 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, and

**WHEREAS**, the Authority desires to enact reasonable rates for the use of Airport facilities and services commencing February 1, 2010, and

**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 Airport Authority have held discussions with representatives of many of the Airline companies serving Indianapolis International Airport ("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 Board of the Indianapolis Airport Authority:

**Section 1** – The following terms are hereby defined as follows:

A. Air Carrier

A person, company or corporation 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 Indianapolis International 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 Indianapolis International Airport.

E. Certificated Air Carrier

A person, company or corporation 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 for landing of an aircraft.

G. Commuter Air Carrier

A person, company or corporation 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 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 (N) 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 Indianapolis International Airport by aircraft as a paying or non-revenue passenger.

L. Enplaned Passenger

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

M. Executive Director/CEO

The person appointed by the Authority as Executive Director and Chief Executive Officer, or the Executive Director/CEO's designee, responsible for the operation, maintenance, and management of the Indianapolis Airport Authority's Airport facilities.

N. General Aviation Aircraft

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

O. Ground Transportation Provider

A company 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. Landing

The term "landing" as used herein shall mean the termination of flight of an aircraft upon a runway at Indianapolis International Airport.

Q. Military Aircraft

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

R. Non-Based Employee

The term "Non-Based Employee" shall mean an employee employed by a tenant of the Indianapolis Airport Authority who

resides in the Indianapolis metropolitan area, but whose primary employment base is a city located outside of the State of Indiana.

S. Non-Scheduled Air Carrier

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

T. 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 Indianapolis International Airport which has not executed the Authority's March 2001 form of Agreement and Lease of Premises for the use of and for occupancy of space at Indianapolis International Airport.

U. RAC

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

V. Scheduled Air Carrier

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

W. 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 Indianapolis International Airport which has executed Authority's

March 2001 form of Agreement and Lease of Premises for the use of and for occupancy of space at Indianapolis International Airport, as amended.

**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 release the Authority from any 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 Indianapolis International Airport:

A. General Aviation, Military Aircraft & 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 \$2.96 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 \$2.96 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 subparagraph A(3) of this Section in lieu of the charges established by this paragraph.

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 and Signatory Commuter Air Carriers and 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	\$132.64
B. Office or Club Room	\$95.00	\$132.64
C. Hold Rooms	\$95.00	\$132.64
D. Operations Space	\$95.00	\$132.64
E. Baggage Make-up/Bag Claim	\$95.00	\$132.64
F. Ticket Counter	\$95.00	\$132.64
G. Aircraft Apron	\$ 2.62	\$ 2.62

One-twelfth (1/12) of an annual rental charge shall be due and payable monthly on the first day of each calendar month, in advance. The Executive Director/CEO may assign such space to the airlines from time to time at his discretion, and in accordance with their needs.

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

- i. 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 those Air Carriers leasing gate space.
  1. Space allocation shall be completed based on the number of Air Carriers leasing gate space each December 1 for the following calendar year.
  2. If the number of Air Carriers leasing gate space increases or decreases after December 1, an adjustment will be made for the month in which such Air Carrier began or ceased leasing gate space at the Airport and the charges to the Air Carrier for the remainder of the year will be adjusted accordingly.
- ii. 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 Air Carrier based on each Air Carrier's percentage share of total Enplaned Passengers at the Airport over a twelve month period, November 1 through October 31 of the previous year, prior to the calendar year for which the rates will be set.
- iii. Charges for Signatory and Non-signatory Air Carriers will be assessed and paid at the Signatory and Non-signatory terminal rental rate, as appropriate.

3. Landing Fees: There are hereby established and levied landing fees upon each Non-Signatory Air Carrier using Indianapolis International Airport, a landing fee of \$2.96 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 Ordinance shall electronically provide to the Executive Director/CEO, on or before the tenth (10<sup>th</sup>) 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 (1<sup>st</sup>) of the month and payable no later than the fifteenth (15<sup>th</sup>) 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 three (3) years.

4. Law Enforcement Services: Each Air Carrier boarding passengers from hold rooms utilizing security screening at Indianapolis International Airport shall pay to the Indianapolis Airport Authority the sum of \$0.10 per Enplaned Passenger. Each Air Carrier shall maintain a daily record of the number of passengers departing by its aircraft from Indianapolis International 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 together with payment calculated as aforesaid. Such reports shall be subject to review and audit by Authority, and Air Carrier's records with respect to such reports shall be retained for three (3) years.

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 24 hours 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 Terminal Building:
- a. A ramp fee of \$200.00 for each turn flight.
  - b. A parking fee of \$200.00 per 24 hours 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 aircraft operations shall pay the following fees per flight:
- |                      |   |
|----------------------|---|
|                      | More than 3<br>hours but less<br>than 9 hours |
| <u>Up to 3 Hours</u> |   |
- a. Terminal Facilities

NON-SIGNATORY AIR CARRIER

Hold Room & Loading Bridge	\$300.00	\$600.00
Aircraft Apron	\$100.00	\$200.00
Operations Space	\$ 65.00	\$130.00
Ticket Counter, Bag Make-Up and Public Address System	\$ 65.00	\$130.00
Bag Claim	\$ 65.00	\$130.00

More Than 9 Hours  
but less than 18 hours      18 Hours to  
24 Hours

Hold Room & Loading Bridge	\$1300.00	\$2800.00
Aircraft Apron	\$ 200.00	\$ 200.00
Operations Space	\$ 260.00	\$520.00
Ticket Counter, Bag Make-Up and Public Address System	\$ 260.00	\$520.00
Bag Claim	\$ 260.00	\$520.00

b. Terminal Facilities

Up to 3 Hours

More than 3 but  
Less Than 9 Hours

SIGNATORY AIR CARRIER

Hold Room & Loading Bridge	\$150.00	\$200.00
Aircraft Apron	\$ 50.00	\$200.00
Operations Space	\$ 65.00	\$130.00
Ticket Counter, Bag Make-Up and Public Address System	\$ 65.00	\$130.00
Bag Claim	\$ 65.00	\$130.00

More Than 9 Hours

18 Hours

	<u>but Less Than 18 Hours</u>	<u>to 24 Hours</u>
Hold Room & Loading Bridge	\$ 600.00	\$1400.00
Aircraft Apron	\$ 200.00	\$200.00
Operations Space	\$ 190.00	\$380.00
Ticket Counter, Bag Make-Up and Public Address System	\$ 190.00	\$380.00
Bag Claim	\$ 190.00	\$380.00

9. Charges for Removal of Disabled Aircraft by Authority:

If pilots, owners or agents of Air Carriers (“Responsible Party or 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 release the Authority from any liability related to the removal of aircraft.

**Section IV** – Ground Transportation Concession & Other Fees at Indianapolis International Airport

A. Taxicabs/Operating Agreement and Concession Fees:

1. Taxicab owners or operators must have an operating agreement with the Indianapolis Airport Authority and pay a

fee of \$500.00 in advance for each six (6) month period that the operating agreement is in force.

2. Taxicab owners or operators shall pay a concession fee of \$1.50 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 or company operating a business, an integral part of which involves persons or baggage being regularly transported between Indianapolis International Airport and a motel, hotel, parking lot, or auto rental office situated off Airport property in vehicles owned or operated by the person or company 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

1. An annual registration fee of \$210.00 per vehicle.
2. A trip fee of \$1.00 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 Indianapolis International Airport.

c. Off-Airport Auto Rental Companies

A fee of ten percent (10%) of all sales or 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 Indianapolis International Airport.

2. Audit: Any person or company by acceptance and use of a Ground Transportation Agreement issued by the Airport Authority agrees that the Airport Authority shall have the right to inspect and audit such person's or company's books of account and other records pertaining to its business operations at Indianapolis International Airport which books or account and other records shall be retained by such person or company for a period of three (3) 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 Paragraph 2 above or for violation of any rule, regulation, or ordinance of the Airport Authority or of any federal, state or local law or ordinance upon the failure of the person or company 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

Ground Transportation Providers shall pay the following trip fees for vehicles use for transportation from the Airport:

Vehicle Type	Per trip fee
Limo-Sedan	\$1.95
Van	\$2.20
Mini Bus	\$2.40
Charter Bus	\$10.50

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 of \$33.00 per vehicle for each day such vehicle operates at the Airport.

F. Ground Transportation Booth Fees

The fee for use of booths in the Ground Transportation Center located adjacent to the Parking Garage is \$260.00 per month

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 provided by Authority and pay a \$50.00 deposit therefore 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 an Automatic Vehicle Identification 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 Automatic Vehicle Identification Transponder provided by Authority.

H. Conference and Meeting Rooms

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

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 the Use Permit or Agreement for the service or concession to be provided.

J. Public and Employee Parking Lots

1. The Executive Director 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 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.

K. Customer Facility Charge

1. Each RAC shall pay a fee for each Customer Rental Transaction, and the Executive Director/CEO shall have 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 property of the Authority 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 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 a 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 their duly authorized representatives 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 1<sup>st</sup> of each 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, upon 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 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 year, RAC shall employ a certified public accountant (hereinafter "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 (15<sup>th</sup>) 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 15<sup>th</sup> day of each month for the preceding calendar month of operations during the year.

## Section V – 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

- i. A fee of \$35.00 per month may be charged to each person who occupies buildings on Airport property that is monitored by the Airport Operations Center.
- ii. The following fees may be charged for more than one (1) false alarm in a calendar year as follows:
  - a. For a first false alarm in a calendar year, a written warning shall be issued from the Airport Police or Fire Department;
  - b. For a first or second subsequent false alarm issued in the same calendar year as the issuance of a written warning, a fee of \$25.00.

- c. For a third or fourth subsequent false alarm issued in the same calendar year as the issuance of a written warning, a fee of \$75.00.

C. Badge Replacement Fees:

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

- i. For damaged badges-\$10.00.
- ii. For lost or misplaced badges-\$75.00.

Section VI – Copying Fees

- i. As permitted under Indiana Code section 5-14-3-8, the Authority may charge \$0.10 per page for photocopies.
- ii. As permitted under Indiana Code section 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 – Proviso

Nothing contained herein shall prevent or restrict 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 VIII**– Compliance

As a condition precedent to the right of any aircraft operator to use Indianapolis International Airport, it shall comply with all of 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 facilities of the Airport.

**Section IX** – Delinquent Payments

For all payments due to the Authority pursuant to the provisions of this Ordinance, other agreements with Authority, or any funds payable to 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 X** – Review and Modification

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

**Section XI** – Severability

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.





## Board Memo Metropolitan Airport Resolution

To: IAA Board of Directors  
From: Marsha Stone, Chief Financial Officer  
Date: November 25, 2009  
Board Date: December 18, 2009  
Subject: Metropolitan Airport Board Resolution

### Background – History and 2005 Authority Board Resolution

In 1967, the Indianapolis Airport Authority (“Authority”) purchased Metropolitan Airport as a component of the Authority’s establishment of a reliever airport system. Metropolitan Airport is classified as a reliever airport in the Federal Aviation Administration’s National Plan of Integrated Airport Systems, and is part of the Indiana State Aviation System Plan.

Beginning in 2004, local communities within Hamilton County publically communicated their desire that Metropolitan Airport be sold and relocated to another site. On December 16, 2005, the Indianapolis Airport Authority Board adopted Resolution 16-2005 (attached), which resolved as follows:

- 1. The Authority hereby finds that, if a desirable alternative reliever airport site can be identified by local communities within Hamilton County at which the Authority can more efficiently, economically and appropriately develop a reliever airport for the Airport System, the Authority should, instead of continuing the operation of Metro Airport, implement procedures to close Metro Airport after a replacement airport is in place and operational, and put its resources and the resources of the Hamilton County communities into the development of a new reliever airport for the Airport System.*
- 2. The Authority also determines to encourage the Hamilton County communities to identify potential desirable alternative sites for a reliever airport for evaluation by the Authority and the Federal Aviation Administration (FAA). The Authority requests that this process be concluded within six (6) months from the date of this Resolution and submit their recommendations in writing to the Authority before that time.*
- 3. If and when the Authority determines that a desirable alternative site has been selected and which has met the FAA requirements, the Authority will participate in the planning process to assure that the replacement airport is in the best interests of the Airport System.*

4. *Provided an acceptable replacement airport is developed and the Authority's FAA obligations with respect to Metro Airport are addressed to the satisfaction of the Authority, the Authority expects to close Metro Airport and sell the property at which Metro Airport is located in accordance with the provisions of Indiana and federal law and the provisions of any agreement or grant to which the Authority is bound with respect to Metro Airport. The Authority does not believe that any replacement airport will be opened until 2012 at the earliest.*

5. *The Authority recognizes that the above process will be a time-consuming effort, directs that the necessary resources be expended to identify appropriate steps and an estimated timeline to effectuate the provisions of this Resolution, and expects to continue the operations of Metro Airport until such time that the requirements set forth above have been met.*

The local communities within Hamilton County have not been successful in their efforts to locate and secure a desirable alternative reliever airport site, nor did the Hamilton County communities submit written recommendations within the six (6) month time period specified in Resolution 16-2005.

#### Current Status – Airport System Plan Update

In June, 2009, the Authority retained Ricondo & Associates, Inc., a nationally recognized aviation consultant, to review and update the Authority's 1993 airport system plan as it relates to the Authority's four reliever airports. The purpose of the study was to review available data and information and assist the Authority in analyzing the potential role for each of the four reliever fixed wing airports. The study sought to identify a role of each of the Authority's four airports in accommodating general aviation activity over the next twenty year period.

The update to the System Plan as it relates to the Authority's four reliever fixed wing airports has been completed and concluded in part, that Metropolitan Airport should continue in its role as an urban general aviation reliever airport as "it has sufficient capacity and airside facilities for the aircraft for which it [is] currently designed to handle".

The IAA Reliever Airports Committee met October 16, 2009 in part to discuss matters of Metropolitan Airport; more specifically, the Airport System Plan Study conducted by Ricondo & Associates as well as Indianapolis Aviation's proposal for a buyout of their Fixed Base Operation (FBO) business and management proposal of the FBO at Metro on behalf of the IAA. The Committee agreed to turn down the buyout request by Indianapolis Aviation (a letter was subsequently issued to the FBO) and more importantly, agreed with the System Plan Study in that Metropolitan Airport is providing an essential service to the community and should remain open.

#### Recommendation

The IAA Staff recommends the adoption of Resolution No. 16-2009, so as to affirm that Metropolitan Airport will remain open to the general public in its current location. Further, as supported by the updated Airport System Study, Metropolitan Airport has sufficient capacity and facilities for the aircraft which it is currently designed to handle.

RESOLUTION 16 - 2009

WHEREAS the Indianapolis Airport Authority ("Authority") purchased Metropolitan Airport in 1967 as a component of the Authority's establishment of a reliever airport system; and

WHEREAS, Metropolitan Airport is classified as a reliever airport in the Federal Aviation Administration's National Plan of Integrated Airport Systems and is part of the Indiana State Aviation System Plan; and

WHEREAS beginning in 2004, local communities within Hamilton County communicated their desire that Metropolitan Airport be sold and relocated to another site; and

WHEREAS on December 16, 2005, the Indianapolis Airport Authority Board adopted Resolution 16-2005 concerning Metropolitan Airport, a copy of which is attached hereto as Attachment I; and

WHEREAS, the Board of the Authority has determined that sufficient time has elapsed since the initiation by the Hamilton County communities of efforts to seek the relocation of Metropolitan Airport; and

WHEREAS, the local communities within Hamilton County have not been successful in their efforts to locate and secure a desirable alternative reliever airport site, nor did the Hamilton County communities submitted written recommendations within the six (6) month time period specified in Resolution 16-2005; and

WHEREAS, the Indianapolis Airport Authority retained Ricondo & Associates, Inc., a nationally recognized aviation consultant, to review and update the Authority's 1993 airport system plan and that update has been completed; and

WHEREAS, the system plan update concluded that Metropolitan Airport should continue in its role as an urban general aviation reliever airport in that "it has sufficient capacity and airside facilities for the aircraft for which it [is] currently designed to handle;" and

WHEREAS, it is in the best interests of the Indianapolis Airport Authority, the users and tenants of Metropolitan Airport that the Board of Directors formally declare its intention with respect to Metropolitan Airport.

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

1. The Authority hereby finds and determines that Metropolitan Airport has and shall continue to fulfill its role as an urban general aviation reliever airport.

2. The Authority declares that it has no intention to sell or otherwise dispose of Metropolitan Airport.
3. The Authority will continue to operate, maintain and develop, as appropriate, Metropolitan Airport in a manner consistent with the recommendations of its 2009 Airport System Plan Update and to comply with the applicable regulatory requirements of the Federal Aviation Administration.
4. Resolution 16-2005 is hereby rescinded and no longer of any force or effect.

This Resolution 16-2009 shall be effective on the date of its adoption.

Adopted this 18th day of December, 2009.

INDIANAPOLIS AIRPORT AUTHORITY\*

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Michael B. Stayton, President

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Alfred R. Bennett, Secretary

\*Signed under authority provided in IAA Board Resolution 10-2009.

#### CERTIFICATE OF AUTHENTICITY

I, Alfred R. Bennett, Secretary of the Indianapolis Airport Authority Board of Directors, hereby certify that the foregoing is a true and correct copy Resolution 16-2009 adopted by the Indianapolis Airport Authority Board on the 18th day of December, 2009.

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Alfred R. Bennett, Secretary  
INDIANAPOLIS AIRPORT AUTHORITY



## Board Memo – ASF Resolution

To: IAA Board of Directors  
From: Marsha Stone, Chief Financial Officer  
Date: November 25, 2009  
Board Date: December 18, 2009  
Subject: Foreign Trade Zone Alternate Site Framework Provision  
Recommendation

### Background

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

The FTZ Board, under the U.S. Department of Commerce, has recently passed a modified provision allowing grantees to better serve potential customers in their defined service areas. This newly adopted process is called Alternate Site Framework (ASF). This process impacts the General Purpose Zone (GPZ) portion of the FTZ program. A GPZ is defined as "a single warehouse, or all or portion of an industrial park or air or sea port complex whose facilities are available for use by the general public."

The GIFTZ Board has met, reviewed the options, and agrees the new ASF process will best serve central Indiana companies that qualify for program access and utilization.

Today, "immediate access" to the FTZ program can only be made if a company is located in one of five designated land areas: Park 100, Plainfield Business Park, Park Fletcher, City of Anderson designated sites, or the Indianapolis International Airport.

The existing FTZ process requires any customer not located in a FTZ designated land area to contribute more in initial approval costs while experiencing delays in the utilization of the program's benefits. One of three federal processing actions is required: a minor boundary modification, a major boundary modification, or a subzone application. Which process used depends on the company's size, type of FTZ use, and its location.

The new ASF program, on the other hand, allows customers faster access to the FTZ program and a reduced investment being made in order to gain the same benefits as the current structure of the FTZ program. Once the ASF application is approved, companies will use one of three options:

- 1) Use the FTZ program immediately in one of six new "magnet sites." The GIFTZ Board has selected the following magnet sites: AllPoints Midwest, Lebanon Business Park, Park 100, Eaglepoint Business Park, City of Anderson's designated FTZ land areas, and the Indianapolis International Airport.
- 2) Gain additional GPZ designation, other than the "magnet sites," from the U.S. FTZ Board. The new ASF program allows grantees to request a "yet-to-be designated FTZ land pool." GIFTZ will be requesting, on behalf of the Authority, approval of 800 "flexible placement acres" that can be used under a simple administrative action. This will allow quicker access and a reduced cost to customers to gain access to the program's benefits. This will also better serve the entire grantee service area.
- 3) Certain companies, such as large manufacturing entities, may continue to request "subzone designation." A subzone is defined as "a single-purpose site for one company when the operations cannot feasibly be moved to, or accommodated in, a GPZ." Companies are reviewed to ensure granting access to the program benefits is in the public's best interest, supports American trade policies, and does not breach any International Trade Agreements in force with the U.S.

#### Scope

The GIFTZ Board requests the IAA Board pass and adopt Resolution 17-2009 to allow an ASF application for program designation and use to be filed with the U.S. FTZ Board in Washington, D.C.

#### Schedule

December 18, 2009: Execution of Alternate Site Framework Resolution

December 28, 2009: GIFTZ submits the Alternate Site Framework application to the U.S. FTZ Board in Washington, D.C.

#### Revenue and/or Operating Cost Implications

##### Revenue:

FTZ designated land area owners participating will pay the GIFTZ a monthly fee of \$4.50/acre for a maximum of 24 months. This fee is waived should a company activate the FTZ program anywhere on a particular property owner's site. Estimated revenue is \$21,600 for two years.

The GIFTZ Board publishes a public rates and charges document called a Zone Schedule. As the land owner fees are waived, an operator fee to the company using the program is established. All operator fees are based on a graduated scale set by the GIFTZ Board. The minimum operator fee is \$24,000/annum and the maximum is \$60,000/annum.

Operating Costs:

The GIFTZ has retained a consultant to create and file the application with the U.S. Foreign Trade Zones Board. The GIFTZ consultant cost is \$15,000 and the U.S FTZ Board application fee is \$1,600, for a total cost of \$16,600.

Diversity Participation

Not applicable.

Recommendation

The IAA staff recommends that the Board consider for approval Resolution 17-2009, to allow an Alternate Site Framework application for program designation and use to be filed with the Foreign Trade Zones Board, U.S. Department of Commerce, in Washington, D.C.

RESOLUTION NO. 17-2009  
GRANTEE RESOLUTION FOR ALTERNATIVE SITE FRAMEWORK PROGRAM  
GREATER INDIANAPOLIS FOREIGN TRADE ZONE, INC.

WHEREAS, the Indianapolis Airport Authority, as grantee, deems it desirable to make application to the U.S. Foreign Trade Zones Board to establish an Alternative Site Framework, (ASF) program on behalf of the Greater Indianapolis Foreign Trade Zone, Inc. (GIFTZ) to improve the grantees' ability to bring the competitive benefits of FTZs to a broad range of companies, create new services, and economic opportunities.

NOW, THEREFORE, BE IT RESOLVED, that the Indianapolis Airport Authority does hereby ratify and approve the application to establish the new Alternative Site Framework program for the Greater Indianapolis Foreign Trade Zone, Inc. as submitted to this grantee; and

FURTHER RESOLVED, that the President of the Indianapolis Airport Authority be, and hereby is, authorized and directed on behalf of the grantee, Indianapolis Airport Authority, to do and perform all acts and to execute and deliver all instruments and documents necessary for the submission of the Alternative Site Framework application by the Greater Indianapolis Foreign Trade Zone, Inc. to the Executive Secretary of the Foreign Trade Zones Board, U.S. Department of Commerce, Washington, D.C. and take such further action as deemed appropriate to secure the approval of the Foreign Trade Zones Board with respect to said application.

APPROVED this 18th day of December, 2009, at the regularly convened meeting of the Indianapolis Airport Authority.

INDIANAPOLIS AIRPORT AUTHORITY\*

\_\_\_\_\_  
Michael B. Stayton, President

\_\_\_\_\_  
Alfred R. Bennett, Secretary

\* Signed under authority provided in IAA Board Resolution 10-2009.

CERTIFICATE OF AUTHENTICITY

I, Alfred R. Bennett, Secretary of the Indianapolis Airport Authority Board of Directors, hereby certify that the foregoing is a true and correct copy of the Resolution adopted by the Indianapolis Airport Authority Board on the 18<sup>th</sup> day of December, 2009.

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Alfred R. Bennett, Secretary  
INDIANAPOLIS AIRPORT AUTHORITY



## Board Memo – Resolution

To: IAA Board of Directors

From: Marsha Stone, Chief Financial Officer

Date: November 20, 2009

Board Date: December 18, 2009

Subject: 2009 Budget Appropriation Transfer – Resolution No. 18-2009

### Scope

The Indianapolis Airport Authority has an approved 2009 budget appropriation for the Airport System Fund of \$202,141,122. 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 \$600,000 will be allocated to the Supplies & Materials budget line for the net loss incurred related to the auction of obsolete inventory for jetways and related spare parts from the old terminal, as well as increased snow/ice chemicals due to weather conditions and increased chemical costs. An additional \$800,000 will be allocated to the Capital Outlay budget classification for various equipment purchases that were approved in 2008 but were not received until 2009. Transfers increasing the aforementioned budget classifications are being made from the Personal Services and Other Services and Charges budget lines.

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 2009 appropriation level. There are no business risks, revenue and/or additional operating cost implications with the transfer of funds between budget line items. Diversity Participation is not applicable to this request.

Recommendation

Consider for approval the transfer of amounts between budget line item classifications from the 2009 appropriations of the Indianapolis Airport Authority System Fund, as outlined in Appendix A, Resolution 18-2009.

## INDIANAPOLIS AIRPORT AUTHORITY

## RESOLUTION NO. 18-2009

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 2009.

Section I - That for the calendar year of 2009, 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 2009, hereby transfer the following sums of money from the budget classifications of the Airport System Fund of said Indianapolis Airport Authority as follows:

	2009 Published Budget Ordinance No. 3-2008	2009 Budget Resolution No. 18-2009
Personal Services	\$ 29,844,125	\$ 28,994,125
Supplies & Materials	3,763,893	4,363,893
Other Services and Charges	168,367,949	167,817,949
Capital Outlay	<u>165,155</u>	<u>965,155</u>
Total Airport System Fund	\$202,141,122	\$202,141,122

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 original appropriated amount. It is also anticipated that the existing appropriations for Personal Services and Other Services and Charges have un-obligated balances that will not be expended. It is further resolved that a transfer be made from the Personal Services and 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 18, 2009.

INDIANAPOLIS AIRPORT AUTHORITY\*

\_\_\_\_\_  
Michael B. Stayton, President

\_\_\_\_\_  
Alfred R. Bennett, Secretary

\*Signed under authority provided in 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 18-2009, that said Resolution was passed by the Board of the Indianapolis Airport Authority on the 18th day of December, 2009, and now remains on file and record in the Airport offices.

WITNESS my hand and the Official Seal of  
the Indianapolis Airport Authority this 18th  
day of December, 2009

\_\_\_\_\_  
Jeremiah Wise  
Treasurer  
Indianapolis Airport Authority



Indianapolis Airport Authority

Re: Resolution 19-2009

## Board Memo - Resolution

To: IAA Board of Directors  
From: Marsha Stone, Chief Financial Officer  
Date: December 11, 2009  
Board Date: December 18, 2009  
Subject: Adoption of Resolution No. 19-2009

### Background

The Authority staff is asking the Board to adopt Resolution No. 19-2009 (the "Resolution"), dedicating revenues collected from Passenger Facility Charges ("PFC") and Customer Facility Charges ("CFC") to pay debt service for the Authority's outstanding revenue bonds for the period 2011 thru 2014. In order to reflect the Authority's PFC and CFC revenues available to pay certain outstanding Authority debt when calculating future debt service coverage ratios, an official Board action to dedicate these PFC and CFC Revenues to pay debt service on the Authority's outstanding revenue bonds is necessary. The Resolution is being put forth as part of the 2010 Revenue Bond Issue as we forecast these dedications within the Official Statement.

### Recommendation

Consider for approval adoption of Resolution 19-2009 dedicating revenues collected from Passenger Facility Charges and Customer Facility Charges to pay debt service for the Authority's outstanding revenue bonds for the period 2011 thru 2014.

## RESOLUTION 19-2009

### RESOLUTION OF THE INDIANAPOLIS AIRPORT AUTHORITY DEDICATING PASSENGER FACILITY CHARGE AND CUSTOMER FACILITY CHARGE REVENUES TO THE PAYMENT OF DEBT SERVICE ON REVENUE BONDS

WHEREAS, General Ordinance No. 4-2002 has been adopted by the Indianapolis Airport Authority (the "Authority") and has been subsequently amended by General Ordinance No. 7-2005 and General Ordinance No. 1-2008 (collectively, the "Ordinance") and applies to all of the Authority's outstanding Revenue Bonds; and

WHEREAS, Section 4.19 of the Ordinance permits the Authority to identify by resolution certain passenger facility or other charges and certain other revenues of the Authority received in a given year and not treated as Gross Revenues under the Ordinance to pay debt service on Revenue Bonds and thereby exclude that amount from Debt Service Requirements (as defined in the Ordinance) for purposes of Sections 4.03 and 5.01 of the Ordinance; and

WHEREAS, the Authority intends to pay a portion of the principal and interest due on such Revenue Bonds from passenger facility charges ("PFCs") and customer facility charges ("CFCs") remitted by the airlines and rental car companies, respectively, and certain other such revenues of the Authority collected by the Authority; and

WHEREAS, the Authority now desires to dedicate a portion of the PFCs and CFCs it receives each year through 2014 toward the payment of principal and interest on Revenue Bonds; and

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

1. The Authority hereby declares that, to the extent allowed by the provisions of federal law and to the extent PFCs received by the Authority total such amount, PFCs received in Fiscal Year 2011 through Fiscal Year 2014 will be dedicated solely for the purpose of paying principal and interest payments on Revenue Bonds in the amounts shown on the attached Schedule I, all in accordance with Section 4.19 of the Ordinance. As a consequence, an equivalent amount of debt service on Revenue Bonds will be excluded from the calculations described in Sections 4.03 and 5.01 of the Ordinance in the year in which such Revenues are collected.

2. The Authority hereby declares that, to the extent CFCs received by the Authority total such amount, CFCs received in Fiscal Year 2011 through Fiscal Year 2014 in the amounts shown on the attached Schedule II will be dedicated solely for the purpose of paying principal and interest payments on Revenue Bonds, all in accordance with Section 4.19 of the Ordinance. As a consequence, an equivalent amount of debt service on Revenue Bonds will be excluded from the calculations described in Sections 4.03 and 5.01 of the Ordinance in the year in which such Revenues are collected.
  
3. This Resolution shall take effect immediately upon passage.

Adopted this 18<sup>th</sup> day of December, 2009.

INDIANAPOLIS AIRPORT AUTHORITY\*

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Michael B. Stayton, President

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Alfred R. Bennett, Secretary

\*Signed under authority provided in IAA Board Resolution 10-2009.

CERTIFICATE OF AUTHENTICITY

I, Alfred R. Bennett, Secretary of the Indianapolis Airport Authority Board of Directors, hereby certify that the foregoing is a true and correct copy Resolution 19-2009 adopted by the Indianapolis Airport Authority Board on the 18th day of December, 2009.

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Alfred R. Bennett, Secretary  
INDIANAPOLIS AIRPORT AUTHORITY

## SCHEDULE I

<u>Fiscal Year Received</u>		<u>PFC's as Dedicated Revenues</u>
2011	\$	13,242,248.76
2012	\$	13,246,386.26
2013	\$	13,248,398.76
2014	\$	13,247,242.50

## SCHEDULE II

<u>Fiscal Year Received</u>		<u>CFC's as Dedicated Revenues</u>
2011	\$	5,946,000.00
2012	\$	6,065,000.00
2013	\$	6,229,000.00
2014	\$	6,410,000.00



## Board Memo - Resolution

To: IAA Board of Directors  
From: Marsha Stone, Chief Financial Officer  
Date: November 25, 2009  
Board Date: December 18, 2009  
Subject: Resolution to Amend IAA Retirement Plan and Trust

### Background

The retirement plan and trust approved on June 15, 2007 states that IAA will match retirement plan contributions for qualifying employees up to a total of five percent (5%) of the employees' annual salary.

The current wording of the retirement plan and trust document may be subject to the interpretation that the employer match of employee contributions is not discretionary. An amendment is necessary to ensure the Board or its designee has discretion to determine whether an employer contribution would be made up to a specified maximum level, per the plan document.

### Recommendation

Consider for approval adoption of Resolution 20-2009 to amend the retirement plan and trust approved on June 15, 2007 to modify provisions concerning the employer contributions to the plan and trust to ensure that the Board or its designee has the discretion to administer the plan with respect to these contributions.

## RESOLUTION 20-2009

WHEREAS, the Indianapolis Airport Authority ( "Authority") is authorized by Indiana Code section 8-22-3-11(12) to employ all employees the Board of Directors ("Board") considers expedient, to fix the compensation to be paid to such employees and to provide a fair and reasonable pension or retirement plan and program to Authority employees pursuant to Indiana Code section 8-22-3-11(12); and

WHEREAS, on June 15, 2007, the Board approved the employee benefit plan and structure for employees of the Authority including the IAA Employee Retirement Plan and Trust ("Plan"); and

WHEREAS, an amendment is necessary to the provisions of Plan approved on June 15, 2007 to ensure that the Board or its designee has the discretion to administer the Plan with respect to employer contributions.

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

1. The Authority shall amend the Plan approved on June 15, 2007 to modify provisions concerning the employer contributions to the Plan, effective January 1, 2010, to temporarily suspend matching and supplemental contributions under the Plan and to provide for the discretionary reinstatement of such contributions to levels not to exceed those in effect prior to January 1, 2010, all through Amendment Number One to the Plan which is hereby adopted and approved in the form attached hereto.
2. The Board hereby authorizes the Chief Executive Officer to take any further action that such individual, in his discretion, deems necessary or appropriate to effectuate the foregoing resolutions, including filing appropriate documents and requests with the Internal Revenue Service and providing notices to affected parties as may be required, and any and all actions of the Chief Executive Officer of the Authority and his designees taken prior to the date hereof with respect to the foregoing resolutions are hereby ratified, approved, and confirmed in all respects.
3. This Resolution shall take effect immediately upon passage.

Adopted this 18<sup>th</sup> day of December, 2009.

INDIANAPOLIS AIRPORT AUTHORITY\*

\_\_\_\_\_  
Michael B. Stayton, President

\_\_\_\_\_  
Alfred R. Bennett, Secretary

\*Signed under authority provided in IAA Board Resolution 10-2009.

CERTIFICATE OF AUTHENTICITY

I, Alfred R. Bennett, Secretary of the Indianapolis Airport Authority Board of Directors, hereby certify that the foregoing is a true and correct copy Resolution 19-2009 adopted by the Indianapolis Airport Authority Board on the 18th day of December, 2009.

\_\_\_\_\_  
Alfred R. Bennett, Secretary  
INDIANAPOLIS AIRPORT AUTHORITY

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**AMENDMENT NUMBER ONE  
TO THE  
IAA EMPLOYEE RETIREMENT PLAN AND TRUST**

THIS AMENDMENT NUMBER ONE to the IAA Employee Retirement Plan and Trust ("Plan") is executed on behalf of the Indianapolis Airport Authority ("Employer"), effective as provided herein.

**PRELIMINARY INFORMATION**

The Employer established the Plan, effective July 15, 2007. The Employer now wishes to amend the Plan pursuant to Article XIX of the Plan.

Therefore, the Plan is amended, as follows:

**AMENDMENT**

1. Effective January 1, 2010, Section 4.02 of the Plan is hereby amended to be and read as follows:

**"Section 4.02 Amount of Employer Contributions.**

(a) Matching Contributions. For each Plan Year beginning before January 1, 2010, the Employer shall match the Elective Deferral Amounts to the Deferred Compensation Plan made by an Eligible Employee who has satisfied the participation requirements of Section 3.01(a). Such Matching Contribution shall be equal to the sum of 100% of the Participant's Elective Deferrals that are not in excess of 5% of the Participant's Compensation. The Matching Contribution shall be made each payroll, based on the Eligible Employee's Elective Deferrals and Compensation that payroll. Effective January 1, 2010, the Employer shall suspend, and there shall be a temporary cessation of, the Matching Contribution to the Plan attributable to any Plan Year that commences on or after January 1, 2010, until such time as the Employer affirmatively resolves to reinstate the Matching Contribution to the Plan. Should the Employer affirmatively resolve to reinstate the Matching Contribution to the Plan, it shall, in its discretion, determine the amount of Matching Contributions that it shall contribute for each Plan Year; provided, however, that such Matching Contributions shall not exceed the amount of Matching Contributions in effect for Plan Years prior to January 1, 2010.

(b) Supplemental Contributions. For each Plan Year beginning before January 1, 2010, the Employer shall make Supplemental Contributions as follows:

(1) For each Eligible Employee who has satisfied the participation requirements of Section 3.01(b), the Employer shall contribute to the Plan for each such Eligible Employee an amount equal to three and five-tenths percent (3.5%) of each such Eligible Employee's Compensation; and

(2) For each Eligible Employee who has satisfied the participation requirements of Section 3.01(b) and who is a Highly-Compensated Employee, the Employer shall contribute to the Plan for each such Eligible Employee an additional amount equal to six and five-tenths percent (6.5%) of each such Eligible Employee's Compensation.

Effective for Plan Years beginning on or after January 1, 2010, the Employer shall suspend, and there shall be a temporary cessation of, the Supplemental Contribution to the Plan, until such time as the Employer affirmatively resolves to reinstate the Supplemental Contribution to the Plan. Should the Employer affirmatively resolve to reinstate the Supplemental Contribution to the Plan, it shall, in its discretion, determine the amount of Supplemental Contributions that it shall contribute for each Plan Year provided, however, that such Supplemental Contributions shall not exceed the amount of Supplemental Contributions in effect for Plan Years prior to January 1, 2010.

Only Participants who have completed a Year of Service during the Plan Year and are actively employed on the last day of the Plan Year shall be eligible to share in the Supplemental Contribution for that year; provided however that a Participant who is not actively employed on the last day of the Plan Year due to the Participant's death, Disability, or retirement during such Plan Year shall be eligible for that Plan Year's Supplemental Contribution. A Supplemental Contribution shall be made for the Plan's initial short Plan Year from July 16, 2007 to December 31, 2007 pursuant to this Section; provided, however, such Supplemental Contribution shall not take into consideration Compensation received before July 15, 2007."

2. In all other respects, the Plan shall be and remain unchanged.

IN WITNESS WHEREOF, this Amendment Number One is executed this \_\_\_\_\_ day of

\_\_\_\_\_, 2009.

**INDIANAPOLIS AIRPORT AUTHORITY\***

By:

\_\_\_\_\_  
Michael B. Stayton, President

\_\_\_\_\_  
Alfred R. Bennett, Secretary

\*Signed under authority provided in IAA Board Resolution 10-2009.

IAA Board Meeting  
Consent Calendar Agenda  
December 18, 2009

Consider for approval:

A) General Business

- BP2009-12-1** The First Amendment to Building #24 Lease Agreement with Greater Indianapolis Foreign Trade Zone, Inc. commencing retroactive to November 1, 2009 and terminating June 30, 2018.
- BP2009-12-2** To amend the agreement with Global Parking System of Indiana, Inc. that would result in a contract termination as of December 31, 2009 for a termination value of \$258,000.
- BP2009-12-3** The First Amendment to the Vending Service Agreement with American Food and Vending.
- BP2009-12-4** The Amendment to access easement with Midwest Logistics Partners, L.P. to allow for the installation of street lighting.
- BP2009-12-5** A renewal of the Cooperative Service Agreement with USDA Wildlife Services for wildlife hazard management services at the Indianapolis International Airport (IND) and its reliever airports, commencing January 1, 2010 and ending December 31, 2010, in an amount not to exceed \$106,200.
- BP2009-12-6** A maintenance contract for all new terminal and garage conveyance systems with KONE, Inc. for an initial two (2) year term effective November 3, 2009 through November 2, 2011 in an amount not to exceed \$1,373,748, with an option to extend the agreement as follows: one additional two (2) year term and a subsequent option for an additional one (1) year term. The cumulative term of the agreement, including any renewals, shall not exceed five (5) years.
- B) Capital Program
- BP2009-12-7** A special procurement of a replacement security system for the Indianapolis Maintenance Center (IMC), IMC ACS Replacement Project, I-10-008, in an amount not to exceed \$403,000 and authorize staff to enter into a sole source contract with Honeywell Building Solutions for equipment, installation and configuration services. D/M/WBE 0%.

BP2009-12-8

An award of contract for Betterment Project #B-19 – Terminal Departures Level Curbside Check-in Weather Enclosures to Gibraltar Construction Corporation in an amount not-to-exceed \$263,000. Gibraltar Construction Corporation was the lowest responsive and responsible bidder. MBE 13.88% (Harmon Steel) and WBE 17.93% (Freeman Specialties).

BP2009-12-9

An award of contract for Betterment Project #B-14 - Installation of Roller Shades in the Terminal Ticket Lobby to C. Ed Mullins in an amount not-to-exceed \$61,348. C. Ed Mullins submitted the lowest responsive and responsible quote. MBE 0% and WBE 0%.

BP2009-12-10

An award of contract for CIP/Project # I-09-033-B - Belly Cargo/GSE Maintenance Building for the base bid (\$5,189,000) and Alternate Number 1 (\$72,600) to Brandt Construction, Inc. in an amount not-to-exceed \$5,261,600 plus a 3% construction reserve of \$158,000. Brandt Construction, Inc. was the lowest responsive and responsible bidder. MBE 9.98% (Distribution One, LLC, Cripe Architects + Engineers, Pinnacle Equipment Company, Master Filter Corporation, and Heartland Ready Mix) and WBE 2.89% (AJ's Tool Rental, Plumbing Pros, Inc., and Essential Architectural Signs, Inc.).

BP2009-12-11

Seven (7) Change Order Requests - IND

BP2009-12-12

Five (5) Change Order Requests – Midfield

C) Real Estate

BP2009-12-13

Noise Compatibility Plan - The 2010 Amended and Restated Contract for Professional Services with W.D. Schock Company, Inc. with respect to the provision of staffing for the Authority's land acquisition/relocation programs.

BP2009-12-14

The purchase of property per the attached schedule.



## Board Memo – First Amendment

To: IAA Board of Directors

From: Marsha Stone, Chief Financial Officer

Date: November 25, 2009

Board Date: December 18, 2009

Subject: First Amendment to Building #24 Lease Agreement with Greater Indianapolis Foreign Trade Zone, Inc.

### Background

The Board previously approved the Building #24 Lease Agreement with the Greater Indianapolis Foreign Trade Zone, Inc. (GIFTZ) in February 2008. At the time of execution, Building #24 was a multi-tenant building with the GIFTZ and Delta Air Lines (Delta) being the only tenants. Delta leased a portion of the building on a month-to-month basis for their cargo operation. With the merger of Delta and Northwest Airlines, Delta provided termination notice and merged their cargo handling into the Northwest Airlines operation. Per the Terms of the Agreement with GIFTZ, upon vacancy of the space leased by Delta, the GIFTZ will lease the remaining portion of the building and associated premises in its entirety.

Additionally the First Amendment provides for the GIFTZ to replace the roof of Building #24 at an estimated cost of \$100,000. The Authority will provide rental credits over the Term of the Lease for the roof expenditure. The roof rental credits will be in addition to the credits provided for the initial remodel of Building #24 by the GIFTZ.

\*Note: GIFTZ expended a total of \$812,910 for the renovation of Building #24 and in turn, currently receives \$485,508 in rental credits over the 10 year Term which expires June 30, 2018.

### Scope

Approval of the First Amendment will provide GIFTZ the ability to expand their warehouse operation or sublease the space to another subzone operator. The First Amendment also provides for the replacement of the roof on Building #24 at Lessee's expense with the Authority providing rental credits.

Schedule

December 18, 2009:

Execution of First Amendment to Building #24 Lease Agreement with the Greater Indianapolis Foreign Trade Zone, Inc.

Revenue and/or Operating Cost Implications

Revenue:

Gross revenues over the ten year Term:	\$1,010,261.80
Rental credits over Term:	(\$585,508.00)
Net revenues over Term:	\$424,753.80

Operating Costs:

The GIFTZ shall be responsible for the operating, repair and structural costs, as well as the maintenance of associated parking lot and grounds of Building #24.

The Authority has no operating costs.

Diversity Participation

Not applicable.

Recommendation

The IAA Staff recommends that the Board consider for approval the First Amendment to Building #24 Lease Agreement with Greater Indianapolis Foreign Trade Zone, Inc. commencing retroactive to November 1, 2009 and terminating June 30, 2018.



## Board Memo Employee Lot Contract Termination

To: IAA Board of Directors  
From: Marsha Stone, Chief Financial Officer  
Date: November 25, 2009  
Board Date: December 18, 2009  
Subject: Employee Lot Contract Termination

As part of an effort to reduce the Authority's operating expenses in Fiscal Year 2010, the Authority staff has analyzed the prospect of moving the Employee Lot from its current location near the far western end of Col. H. Weir Cook Memorial Drive to another existing Authority parking lot/facility. Moving employees out of the current Employee Lot will reduce the aggregate need for shuttling services at the airport.

### Current Status

The Authority currently has an agreement with Global Parking System of Indiana, Inc. (Global) to supply shuttle service to the Employee Lot. The cost of this service is approximately \$1 million per year; the agreement expires October 31, 2011. The Authority's Parking team anticipates it will be able to accommodate employee shuttling within its current bus fleet and existing staff, therefore terminating this agreement will result in significant savings to the Authority of substantially all of the \$1 million contract value. Minimal incremental costs for signage changes, parking equipment, etc. will be required.

The Authority and Global have agreed to a termination of the contract on December 31, 2009 for a termination amount of \$258,000 with 30 days written notice to Global prior to termination.

The Authority staff is prepared to close the current Employee Lot and effect a move of employee parking from its current location by mid to late-January 2010. The Parking Department is prepared to operate the Employee Shuttle as the existing Employee Lot operation winds down in January.

### Recommendation

The IAA staff recommends the Board take action to amend the agreement with Global Parking System of Indiana, Inc. that would result in a contract termination as of December 31, 2009 for a termination value of \$258,000.



## Board Memo

To: IAA Board of Directors  
From: Marsha Stone, Chief Financial Officer  
Date: November 25, 2009  
Board Date: December 18, 2009  
Subject: First Amendment to the Vending Service Agreement with American Food and Vending

### Background

American Food and Vending has provided snack vending machines for the IAA employee break rooms and the Ground Transportation Center since November 12, 2008.

### Scope

This Amendment updates Exhibit A to include recently added snack machines throughout the airport campus. Since November 2008, machines have been added to passenger areas, TSA break room, Taxi Staging Building and the Program Office building.

### Schedule

### Revenue and/or Operating Cost Implications

#### Revenue:

Increase in revenue of \$18,209.00 through the October 31, 2010 expiration date.

#### Operating Costs:

No operating costs to the Authority

### Diversity Participation

None

### Recommendation

IAA Staff recommends that the Board consider for approval the First Amendment to the Vending Service Agreement with American Food and Vending.



## Board Memo - Contract

To: IAA Board of Directors  
From: Robert A. Duncan, Chief Operating Officer  
Date: November 25, 2009  
Board Date: December 18, 2009  
Subject: Amendment to Easement Agreement

### Background

In October 2006, the Airport Authority granted an access easement to Midwest Logistics Partners, L.P. (i.e. Ameriplex) for the construction of Exploration and Hatfield Drives (see Attachment I).

The easement did not provide for the installation of street lighting and Midwest Logistics desires to install street lighting at the intersection of Exploration and Hatfield Drives. The street lighting will be within the future Runway Protection Zone for the third parallel runway, thus it may not exceed 45 feet in height which is in compliance with the Airspace Zoning Ordinance.

In addition, the Amendment provides that:

1. The lighting installation is subject to IAA approval prior to installation; and
2. The lighting, upon ninety (90) days written notice from IAA, shall be removed if the IAA, in its sole discretion, determines that the lighting interferes with or adversely affects in any manner the development of the third parallel runway.

The intersection is dark and installation of street lighting will enhance vehicle safety.

Schedule

November 20, 2009 – Approve Amendment to access easement with Midwest Logistics Partners, L.P.

Revenue

Not applicable

Operating Cost Implications

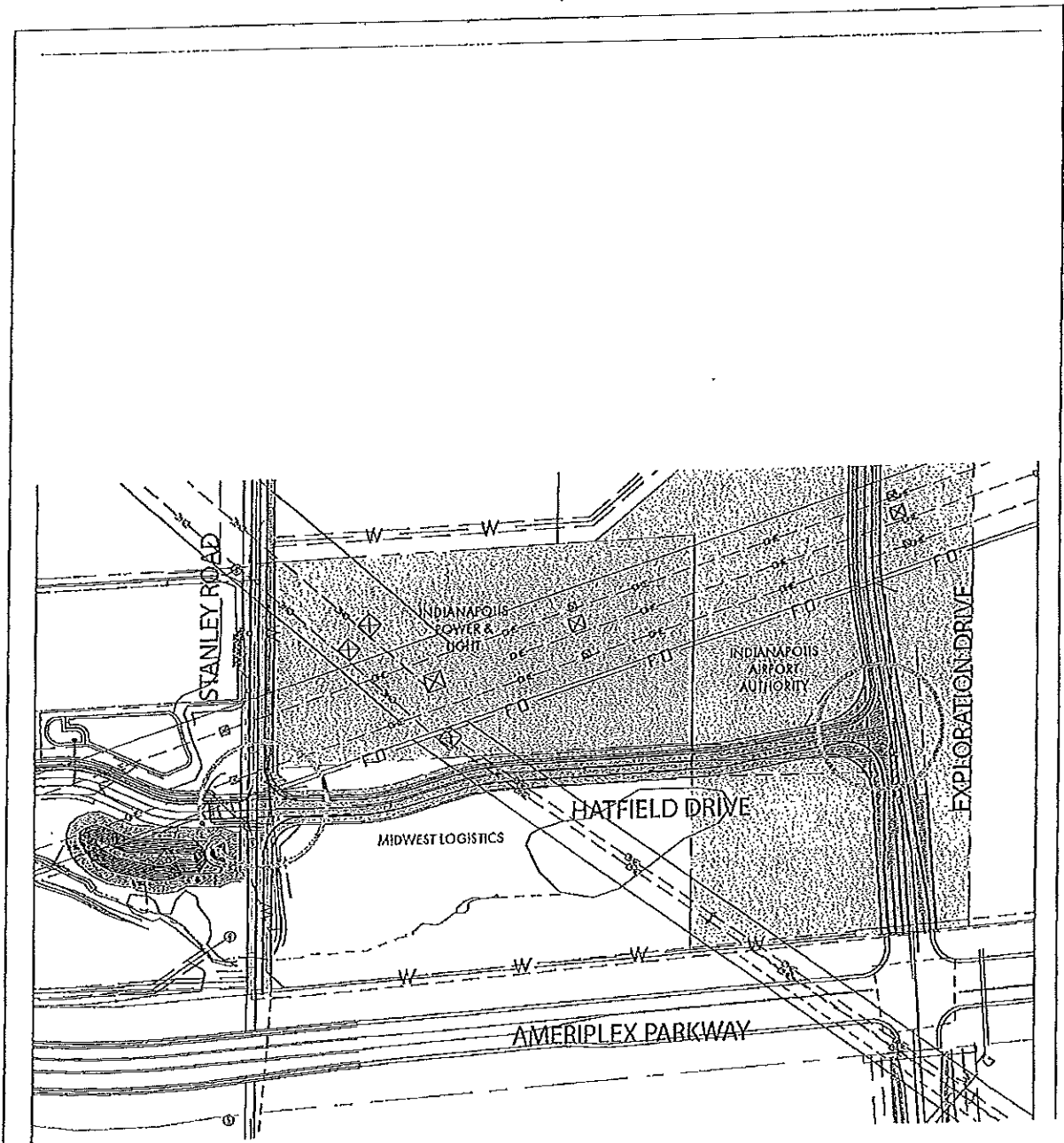
Not applicable

Diversity Participation

Not applicable

Recommendation

IAA staff recommends that the Board consider for approval the Amendment to access easement with Midwest Logistics Partners, L.P. to allow for the installation of street lighting.





## Board Memo-Contract

To: IAA Board of Directors  
From: Robert A. Duncan, Chief Operating Officer  
Date: November 25, 2009  
Board Date: December 18, 2009  
Subject: Wildlife Hazard Management Cooperative Services Agreement

### Background

Federal regulations require an airport that experiences multiple bird strikes to perform an ecological study to assess wildlife activity at the airport. IND experienced such strikes in 1997, and the FAA recommended that the airport contract with the U.S. Department of Agriculture – Animal and Plant Health Inspection Service – Wildlife Services (“USDA Wildlife Service”); which operates under a cooperative agreement with the FAA to conduct the ecological study.

USDA Wildlife Services conducted an in-depth twelve month study of wildlife activity at IND and IAA’s reliever airports. Based on its findings the USDA Wildlife Service recommended the airport contract with or hire a full-time biologist to manage the new comprehensive Wildlife Hazard Management Plan for IAA’s airports. USDA Wildlife Services began conducting operational wildlife control activities at IND in September 2000 to the present date. The FAA strongly endorses the retention of the biologist, and supports the existing contractual arrangement between IND and the USDA Wildlife Service for wildlife hazard management. The FAA has since approved the Airport’s Wildlife Hazard Management Plan, and has noted during its annual Part 139 Airport Inspections that IND’s Wildlife Management Plan is robust and effective; which benefits overall aviation safety.

The renewed Cooperative Service Agreement provides for one (1) wildlife biologist who will continue to perform wildlife control operations and ensure the Airport's Wildlife Hazard Management Plan is implemented and remains current with FAA and USDA Wildlife Service guidelines. The plan involves:

- The use of the latest wildlife control techniques and supplies
- Wildlife patrols, inspections and recording
- Information dissemination to Operations and other Airport staff
- Wildlife eradication and removal
- Tenant Education Meetings
- Education, training, and meetings with on and off airport groups whose behavior and actions influence wildlife activity at the airport
- Habitat modification to discourage wildlife activity on the airport.

In view of the renewed attention on bird and other wildlife issues as a result of last January's US Airways ditching in the Hudson River, renewal of the Agreement is appropriate.

Scope & Budget

The Cooperative Service Agreement is an Operating expense.

Schedule:

December 18, 2009: IAA Board approval of contract

Revenue

Not applicable

Operating Costs Implications

The Operating Budget for this expense is \$106,200.

Diversity Participation

Not applicable. This is a contract with a Federal Agency.

Recommendation

The IAA staff recommends that the Board consider for approval a renewal of the Cooperative Service Agreement with USDA Wildlife Services for wildlife hazard management services at the Indianapolis International Airport (IND) and its reliever airports, commencing January 1, 2010 and ending December 31, 2010, in an amount not to exceed \$106,200.



## Board Memo

To: IAA Board of Directors

From: Robert A. Duncan, Chief Operating Officer

Date: November 25, 2009

Board Date: December 18, 2009

Subject: Approval of Contract with KONE, Inc. for Elevator, Escalator and Power Walk Maintenance

### Background

The new terminal and parking garage contain in the aggregate 34 elevators, 18 escalators and 14 power walks. The original construction bid for this equipment included a one-year warranty maintenance period that expired Nov 1, 2009. KONE, Inc. has agreed to continue providing service under the terms and conditions of the contract beginning November 3, 2009 pending Board approval of a contract extension at its December 18<sup>th</sup>, 2009 Board Meeting. The original bid and contract provided options for a five (5) year maintenance agreement that would take effect Nov 1, 2009. Since KONE, Inc. was the contractor for the installation of all conveyance equipment and has been responsible to provide all warranty maintenance work during the initial year of operation, the Authority's best option in staff's opinion is to enter into a two (2) year agreement with KONE, Inc. for continued maintenance on our conveyance systems in the amount of \$1,373,748; this expenditure has been provided for in the 2010 Operating budget. The agreement includes the ability for the Authority to extend the term of this agreement twice: for two (2) additional years and another one (1) year with

### Scope

Under the terms of the proposed agreement, KONE, Inc. will systematically examine, maintain, adjust, test and lubricate all IND conveyance systems. In addition, KONE, Inc. will repair or replace a majority of our equipment if necessitated by normal wear and tear. KONE, Inc. will provide two (2) technicians on site Monday thru Friday from 6:00 a.m. to 6:00 p.m. Any work performed outside of the normal business hours will require approval by Authority staff.

Diversity Participation

The Diversity Director has reviewed the documentation for Kone, Inc. and determined it to be a sole source company not eligible for XBE participation. However, Kone, Inc. has committed to make attempts to utilize MBE and WBE companies if possible

Recommendation

The IAA staff recommends that the Board approve a maintenance contract for all new terminal and garage conveyance systems with KONE, Inc. for an initial two (2) year term effective November 3, 2009 through November 2, 2011 in an amount not to exceed \$1,373,748, with an option to extend the agreement as follows: one additional two (2) year term and a subsequent option for an additional one (1) year term. The cumulative term of the agreement, including any renewals, shall not exceed five (5) years.



## Board Memo – Special Procurement

To: IAA Board of Directors

From: Robert A. Duncan, Chief Operating Officer

Date: November 25, 2009

Board Date: December 18, 2009

Subject: Special Procurement for the Replacement of Access Control System at Indianapolis Maintenance Center (IMC) (CIP #I-10-008)

### Background

The security system at the IMC is over 15 years old and has exceeded its useful life. Due to the age of the equipment, parts are obsolete and repair work is subsequently increasingly difficult. IAA security and IMC operations staff planned an upgrade of the systems during the 2010 CIP year; however, with the support of the TSA, the FAA has amended a security grant which expires mid-2010 to include this project for replacement of the system. Due to the expiration of the security grant, the Authority sought approval from the airlines to accelerate the project and initiate it in 2009 in order to utilize available funding.

### Scope

Indiana Code (IC 5-22-10-8 and IC 5-22-10-9) allows for Special Procurement of software and hardware. It is not in the airport's best interests to have disparate security systems at each facility/location. With the foregoing in mind, IAA staff recommends that the IAA utilize special procurement methods to obtain the services and equipment necessary for the replacement of IMC security system and the IMC door hardware for doors not planned to be converted to the access control system. This project will insure that the equipment will be compatible with the existing access control (ACS) and CCTV systems used throughout the Indianapolis Airport Authority properties and the current keying system in use at the IMC.

### Fiscal Impact

The 2010 Capital Improvement Budget has estimated the replacement cost of the security system at the IMC to total \$403,000. Due to the timing and availability of the federal security grant being extended to the IAA, staff seeks approval to accelerate the CIP into the FAA's current fiscal year so that the work can be completed and the grant funding drawn prior to expiration of the grant.

The AIP Security Grant will fund the project at 75% leaving an estimated \$100,750 to be funded by the Authority. It is crucial to complete this project on the schedule below to utilize these grant funds, and there are dollars remaining in the IAA's capital appropriation budget to initiate this project in 2009.

Schedule

Board approval of Project	December 18, 2009
Execution of Purchase Order(s) with vendor(s)	December 21, 2009
Equipment ordered, configured and delivered	January 2010
Installation and migration to new system	February–April 2010
Final testing and commissioning	early-May 2010
Federal reimbursement	late June 2010

Diversity Participation

Due to the specialized nature of the equipment and the work to be performed under this project, there is no XBE participation anticipated at this time. In accordance with the IAA's policy of diversity outreach and attempting a good faith effort to include disadvantaged, minority-owned and women-owned business enterprises, IAA staff asked the contractor to revise its proposal to include diversity participation. The subsequent quote included the purchase of equipment from an XBE supplier but increased by \$3,370. The IAA does not condone additional expenditures on a project in order to gain diversity participation; therefore staff recommends proceeding with the original quote.

Recommendation

IAA staff recommends that the Board consider for approval a special procurement of a replacement security system and related elements for the Indianapolis Maintenance Center (IMC), IMC ACS Replacement Project, I-10-008, in an amount not to exceed \$403,000 and authorize staff to enter into a sole source contract with Honeywell Building Solutions for equipment, installation and configuration service. D/M/WBE 0%



## Board Memo - Bid Award

To: IAA Board of Directors

From: Robert A. Duncan, Chief Operating Officer

Date: November 25, 2009

Board Date: December 18, 2009

Subject: Award of Contract to Gibraltar Construction Corporation for Terminal Departures Level Curbside Check-in Weather Enclosures (Betterment Project #B-19)

### Background

The Terminal at the new Indianapolis International Airport has a two (2) level roadway system. On the upper/Departures level roadway there are eight (8) skycap/curbside check-in stations for the airlines that serve IND. These stations are on the sidewalk area and mostly open to the weather.

Protection from weather for skycap agents, passengers and the general check-in process is afforded only by the slight overhang of the skycap area itself, the high overhang of the terminal roof, and indirectly by the curbside canopy over the first lane of traffic. None of these protection elements have proven to be effective at mitigating against falling and blowing rain, wind and snow given the prevailing winds from the west and southwest and the lack of direct overhead cover. No other protections were planned with the original design.

On April 17, 2009 the IAA Board of Directors authorized additional work to add winter weather protection to the eight (8) curbside baggage check-in areas. That project was put on hold pending further review of the airlines' interest in providing curbside check-in. The project is now proposed to construct only four (4) of the eight (8) areas, specifically for: Delta Airlines, American Airlines, Southwest Airlines and AirTran. These are the airlines currently providing curbside check-in and who have indicated that they will continue to do so.

On September 18, 2009, the board approved plans & specifications for Project #B-19 – Terminal Departures Level Curbside Check-in Weather Enclosures and authorized the public bidding process.

On October 20, 2009, the IAA staff received five (5) bids ranging from \$263,000 to \$361,254.

Gibraltar Construction Corporation was the lowest responsive and responsible bidder in the amount of \$263,000.00. This is part of the Betterment Projects and is within the projected cost for the work and included in the overall New Indianapolis Airport cost projection.

Scope

This project package provides for the installation of Weather Enclosures located on the departures level curbside of the Terminal at four (4) locations for each of the following airlines: Delta Airlines, American Airlines, Southwest Airlines and AirTran. The enclosures consist of fixed glass enclosure walls on the sides of each curbside area with movable glass doors. The glass doors can be manually opened and stowed when weather protection is not needed, or they can be closed to provide a protected check-in environment from the weather.

Schedule

Work is expected to start December 2009 with a completion date of April 30, 2010.

Diversity Participation

The Diversity Director has approved the following MBE/WBE participation.

FIRM	CLASSIFICATION	AMOUNT	%
Harmon Steel	MBE	\$36,500	13.88%
Freeman Specialties	WBE	\$47,144	17.93%
Totals	MBE	\$36,500	13.88%
	WBE	\$47,144	17.93%

Recommendation

The IAA staff has reviewed the bids and recommends that the Board consider for approval an award of contract for Betterment Project #B-19 – Terminal Departures Level Curbside Check-in Weather Enclosures to Gibraltar Construction Corporation in an amount not-to-exceed \$263,000. Gibraltar Construction Corporation was the lowest responsive and responsible bidder. MBE 13.88% (Harmon Steel) and WBE 17.93% (Freeman Specialties)



## Board Memo – Contract Award

To: IAA Board of Directors

From: Robert A. Duncan, Chief Operating Officer

Date: November 19, 2009

Board Date: December 18, 2009

Subject: Award of Contract to C. Ed Mullins for the Installation of Roller Shades in the Terminal Ticket Lobby (Betterment Project #B-14)

### Background

On April 17, 2009, the Board approved miscellaneous projects for the betterment of the New Indianapolis Airport. That approval included the Installation of Roller Shades in the Terminal Ticket Lobby.

Shortly after the new terminal opened Airlines began complaining, particularly Northwest now Delta, Southwest and Air Tran Airlines, about the sunlight coming into the ticket lobby area and blinding their Customer Service Representatives and check in kiosks. Due to the sun glaring on the kiosk screens and into the eyes of the Customer Service Representatives, it was decided and agreed upon to install tint on the project south glass as a quick and temporary fix. It was decided that the permanent fix would be the installation of roller shades. The roller shades will be placed on the project west and project south windows/glass walls.

On September 3, 2009, a request for quotes for the Installation of Roller Shades in the Terminal Ticket Lobby (Betterment Project #B-14) was issued to three (3) contractors.

On September 15, 2009, the IAA staff received three (3) quotes ranging from \$67,228 to \$90,343. After final negotiation of the scope with the apparent low quoter, C. Ed Mullins, the final agreed upon price is \$61,348.

Scope

This package provides for the installation of 120 Roller Shades in the Terminal Ticket Lobby per plans and specifications. Price includes all labor, material and equipment for complete installation.

Schedule

Work is expected to start December 21, 2009 with a substantial completion date of February 22, 2010.

Diversity Participation

The Diversity Director has reviewed C. Ed Mullins's Diversity Program on November 2, 2009 and has approved the participation verification report. Due to the specialized nature of this type of work, there is no XBE participation as there are few companies that qualified to quote this work.

Recommendation

The IAA staff has reviewed the quotes and recommends that the Board consider for approval an award of contract for Betterment Project #B-14 - Installation of Roller Shades in the Terminal Ticket Lobby to C. Ed Mullins in an amount not-to-exceed \$61,348. C. Ed Mullins submitted the lowest responsive and responsible quote. MBE 0% and WBE 0%



Indianapolis Airport Authority

## Board Memo – Bid Award

To: IAA Board of Directors  
From: Robert A. Duncan, Chief Operating Officer  
Date: December 7, 2009  
Board Date: December 18, 2009  
Subject: Award of Bid Package No. I-09-033-B, Belly Cargo/GSE Maintenance Building, to Brandt Construction, Inc.

### Background

This package provides for the construction of a facility that will house belly cargo for the airlines and airline ground support equipment (GSE) maintenance operations.

On October 16, 2009, the Board approved plans & specifications for CIP/Project #I-09-033-B - the Belly Cargo/GSE Maintenance Building and authorized the public bidding process.

On December 1, 2009, IAA staff received fourteen (14) bids ranging from \$5,077,003. to \$6,148,000. The contractor with the lowest bid asked that we allow them to withdraw their proposal citing mathematical errors and confusion during the final stage of their bid preparation.

In addition to the contract amount, IAA will be requesting a construction reserve of 3% of the total contract amount for this project. A construction reserve of 3% has been previously approved by the Board and successfully implemented during the midfield terminal and site project to ensure timely approval of minor changes necessary due to unforeseen conditions and circumstances. Any change orders exceeding the contract and construction reserve will be submitted to the Board for approval.

The 2009 CIP budget for the project is \$8,728,698.

Scope

This package provides for the construction of a 40,000 square foot building. The structure will be built of pre-cast concrete exterior wall panels, structural steel framing and standing seam metal roof.

Offices, storage rooms, and restrooms will be conventionally framed and will be heated and cooled; the warehouse areas will be heated and ventilated.

Schedule

Work is expected to start January 2010 with a completion date of July 3, 2010.

Diversity Participation

The Diversity Director has approved the following MBE/WBE participation:

FIRM	CLASSIFICATION	AMOUNT	%	
AJ's Tool Rental	WBE	\$10,800	.21	
Distribution One, LLC	MBE	\$30,000	.57	
Plumbing Pros, Inc.	WBE	\$134,700	2.56	
Cripe Architects + Engineers	MBE	\$13,000	.25	
Essential Architectural Signs, Inc	WBE	\$6,322	.12	
Pinnacle Equipment Company	MBE	\$16,500	.31	
Master Filter Corporation	MBE	\$180,800	3.44	
Heartland Ready Mix	MBE	\$285,000	5.42	
	Totals	MBE	\$525,300	9.98
		WBE	\$151,822	2.89

Recommendation

The IAA staff has reviewed the bid and recommends that the Board consider for approval an award of contract for CIP/Project # 1-09-033-B - Belly Cargo/GSE Maintenance Building for the base bid (\$5,189,000) and Alternate Number 1 (\$72,600) to Brandt Construction, Inc. in an amount not-to-exceed \$5,261,600 plus a 3% construction reserve of \$158,000. Brandt Construction, Inc. was the lowest responsive and responsible bidder. MBE 9.98% (Distribution One, LLC, Cripe Architects + Engineers, Pinnacle Equipment Company, Master Filter Corporation, and Heartland Ready Mix) and WBE 2.89% (AJ's Tool Rental, Plumbing Pros, Inc., and Essential Architectural Signs, Inc.).

IND CHANGE ORDER REQUESTS

BP2009-12-11

BOARD DATE:  
December 18, 2009

COR/CO #	Project NO.	CONTRACTOR	ORIGINAL CONTRACT AMT	THIS CHANGE ORDER REQUEST			NEW CONTRACT AMOUNT	Contract Description
				AMOUNT	PERCENT	CUM CHANGE PERCENT		
1 & Final	C-09-050	Davis & Associates	\$ 206,823.73	\$ 12,041.06	5.82%	5.82%	\$ 218,864.79	Mfr. Comfort Apron Rehabilitation
1 & Final	H-08-048	Smock Fansler Corp	\$ 217,385.00	\$ 1,288.76	0.59%	0.59%	\$ 218,673.76	Hanger Rehabilitation - Phase 3 (Floor Slab) Hellport
1	I-95-14H,9,1	Evans Development Co	\$ 271,300.00	\$ 4,090.89	1.51%	1.51%	\$ 275,390.89	Residential Sound Insulation Program
11	2220-004	E&B Paving, Inc.	\$ 3,509,600.00	\$ 12,609.50	0.36%	19.07%	\$ 4,178,833.78	I-70 Redevelopment Phase 1 - South Perimeter Road
1	I-09-033A	Culy Construction	\$ 216,920.00	\$ 45,950.96	21.18%	21.18%	\$ 262,870.96	Belly Cargo/GSE Maintenance Building Grading
5	1874-005	Evans Development Co	\$ 213,546.00	\$ 15,585.73	7.30%	265.41%	\$ 780,327.92	SPCC Mitigation - International - Phase 1 - Drexel Run OWS revisions.
12	2220-004	E&B Paving, Inc.	\$ 3,509,600.00	\$ 8,376.59	0.24%	19.31%	\$ 4,187,210.37	I-70 Redevelopment Phase 1 - South Perimeter Road

CHANGE ORDER REQUESTS - MIDFIELD

BP2009-12-12

BOARD DATE:  
December 18, 2009

Project NO.	CONTRACTOR	ORIGINAL CONTRACT AMT	THIS CHANGE ORDER REQUEST			CUM CHANGE PERCENT	NEW CONTRACT AMOUNT	Contract Description
			AMOUNT	PERCENT	PERCENT			
H06	Novurn Structures	\$ 5,495,000.00	\$ 105,161.00	1.91%	3.3%	\$ 5,675,900.00	Terminal Skylight Systems	
H11	Ermco/Sachs	\$ 22,165,000.00	\$ 250,000.00	1.13%	37.9%	\$ 30,555,324.63	Secondary Electric	
T13	Gradex, Inc.	\$ 12,993,347.70	\$ 59,474.00	0.46%	9.4%	\$ 14,216,238.39	Delcng Phase 2	
T20	F. A. Wilhelm	\$ 27,160,000.00	\$ 90,000.00	0.33%	10.7%	\$ 30,076,796.00	Parking Garage - General Trades	
RH1	Milestone Contractor	\$ 11,382,951.52	\$ 775,000.00	6.81%	28.1%	\$ 14,583,211.08	Taxiway R & H	

\$ 1,279,635.00



## Board Memo - Contract

To: IAA Board of Directors

From: Robert A. Duncan, Chief Operating Officer

Date: November 10, 2009

Board Date: December 18, 2009

Subject: 2010 Amended and Restated Contract for Professional Services with the W.D. Schock Company, Inc. for land acquisition/relocation services in support of the Authority's Noise Compatibility Plan.

### Background

Since 1997, W.D. Schock Company has provided four (4) on-site contract employees in support of the Authority's land acquisition/relocation programs.

For 2010, the W.D. Schock Company, Inc. will retain, at IAA staff's request, the currently assigned staff of four (4) persons consisting of a Noise Program Manager, Senior Relocation Agent, Senior Administrative Assistant and Homeowner Liaison. The proposed contract for 2010 is a not-to-exceed figure of \$293,943.27 which represents a nearly 25% decrease over 2009. This decrease results from a significant reduction in contract hours since the Noise Mitigation Program's land acquisition and sound insulation activity is beginning to wind down. The Program, over the next two years or perhaps earlier, is expected to be complete. The 2010 contract is eligible for AIP grant funding of 80%.

### Schedule

December 18, 2009 – Approval of the 2010 Amended and Restated Contract for Professional Services with the W.D. Schock Company, Inc.

### Revenue

None.

Operating Cost Implications

None.

Diversity Participation

There is no D/M/WBE participation included in the W.D. Schock contract. The reason for this lack of participation is that the Schock Company is providing (and has provided since 1997) its own employees who are permanent residents of the Indianapolis Metropolitan Area. After consulting with the Diversity Director, it has been determined that there are no D/M/WBEs that provide these specialized services. The W.D. Schock Company is generally retained by airports to perform all aspects of a land acquisition/relocation project including, but not limited to, obtaining appraisals, land purchasing, displaced person relocation, property management, demolition and grant management which would provide the opportunity for the use of D/M/WBE subcontractors, if any. These opportunities are not present in the Schock contracts currently being considered. The Schock Company is only providing staff for land acquisition and displaced person relocation procedures. The remainder of the functions are performed and managed by IAA staff. The Schock Company provides four (4) employees who are well trained in IAA real estate policies and procedures, have established relationships with project area homeowners, realtors and the local real estate market.

W.D. Schock Company was originally retained as a result of an RFP process in 1997. No D/M/WBE companies responded to the RFP and after inquiry, we have not located a D/M/WBE firm that performs relocation / land acquisition services.

Recommendation

The IAA staff recommends that the Board consider for approval the 2010 Amended and Restated Contract for Professional Services with W.D. Schock Company, Inc. with respect to the provision of staffing for the Authority's land acquisition/relocation programs.

