



Agenda
Indianapolis Airport Authority
December 18, 2015
8:30 AM

I. Call to Order

II. Approval of Minutes of the Pre-Board and Regular Meeting of November 20, 2015

III. Ordinances, Resolutions and Public Hearings

- a) Final Public Hearing on **General Ordinance No. 4-2015** concerning the 2016 Rates and Charges.
- b) Consider for approval, adoption of **General Ordinance No. 4-2015** concerning the 2016 Rates and Charges.
- c) Consider for approval **Resolution No. 15-2015** concerning the transfer of amounts between budget line item classifications from the 2015 appropriations of the Indianapolis Airport Authority System Fund.
- d) Consider for approval **Resolution No. 16-2015** concerning the disposition of IMC assets via Private Sale to Dallara, LLC.
- e) Consider for approval **Resolution No. 17-2015** concerning the Fourth Amendment to Lease Agreement with the Greater Indianapolis Foreign Trade Zone, Inc. for the continuation of leasing warehouse space at the IMC.

IV. Board Reports

President's Report

V. Official Actions

Consider, for approval, the individual items listed on the IAA General Agenda, dated December 18, 2015.

VI. Staff Reports

Executive Director Report

VII. Other Reports/Update

VIII. Board Communications

Next Meeting: Friday, January 15 @ 8:30 a.m.

IX. Adjourn

MINUTES
Board of Directors Meeting
Indianapolis Airport Authority

The Regular Meeting of the Indianapolis Airport Authority Board was called to order at 8:32 a.m., on November 20, 2015, in the Airport's Board Room at the Indianapolis International Airport.

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

Mike Wells, President
Kelly Flynn, Vice President
Alfred Bennett, Secretary
Jean L. Wojtowicz, Member
Brett Voorhies, Member
Dr. Philip C. Borst, Member
Steve Dillinger, Member
Jack T. Morton, Jr., Member

Rex M. Joseph, Jr., IAA Board Counsel

IAA executive staff attending:

Mario Rodriguez, Executive Director
Mike Medvescek, Sr. Director of Operations
Marsha Stone, Sr. Director of Commercial Enterprise
Joseph Heerens, General Counsel
Shannetta Griffin, Sr. Director of Planning & Development
Robert Thomson, Sr. Director of Finance
Jamie Leap, Sr. Executive Assistant/Recording Secretary

APPROVAL OF MINUTES

Upon a motion by Mr. Flynn, seconded by Mr. Bennett and unanimously passed, approval was given to the Minutes of both the Pre-Board and Regular Meetings of October 16, 2015.

ORDINANCES, RESOLUTIONS AND PUBLIC HEARINGS

President Wells introduced General Ordinance No. 4-2015 concerning the 2016 Rates and Charges.

BOARD REPORTS

President's Report

None.

OFFICIAL ACTIONS

INTRODUCTION AND APPROVAL OF THE INDIANAPOLIS AIRPORT AUTHORITY'S GENERAL AGENDA, DATED November 20, 2015: President Wells introduced and then verbally described

each of the individual items listed on the General Agenda, after which he asked for separate motions of approval, as follows:

BP2015-11-1. Upon a motion by Dr. Borst, seconded by Mr. Dillinger and unanimously passed, approval was given to BP2015-11-1.

BP2015-11-2. Upon a motion by Mr. Morton, seconded by Mr. Bennett and unanimously passed, approval was given to BP2015-11-2.

BP2015-11-3. Upon a motion by Mr. Bennett, seconded by Ms. Wojtowicz and unanimously passed, approval was given to BP2015-11-3.

BP2015-11-4. Upon a motion by Mr. Flynn, seconded by Mr. Voorhies and unanimously passed, approval was given to BP2015-11-4.

BP2015-11-5; ACTION #1: Upon a motion by Mr. Morton, seconded by Mr. Bennett and unanimously passed, approval was given to BP2015-11-5, ACTION #1.

BP2015-11-5, ACTION #2: Upon a motion by Mr. Flynn, seconded by Ms. Wojtowicz and unanimously passed, approval was given to BP2015-11-5, ACTION #2.

BP2015-11-5, ACTION #3: Upon a motion by Mr. Bennett, seconded by Mr. Voorhies and unanimously passed, approval was given to BP2015-11-5, ACTION #3.

BP2015-11-5, ACTION #4: Upon a motion by Mr. Dillinger, seconded by Mr. Morton and unanimously passed, approval was given to BP2015-11-5, ACTION #4.

BP2015-11-6. Upon a motion by Mr. Voorhies, seconded by Dr. Borst and unanimously passed, approval was given to BP2015-11-6.

STAFF REPORTS

Executive Director's Report

Mr. Rodriguez spoke briefly about the recent Snow Plow Blade unveiling. For several years, the IAA has partnered with McClelland Elementary School and teacher Karla Allison to allow her art students to paint a snow plow blade to be used during the upcoming snow season. This school is located in the Wayne Township system near the Indianapolis International Airport. Dr. Butts (Wayne Township Superintendent) was in attendance and expressed his appreciation to the IAA for this program and how much his school system values its relationship with the IAA.

ADJOURNMENT

President Wells announced the next IAA Board meeting is scheduled for December 18, 2015. There being no further business, the meeting was adjourned at 8:41 a.m.

INDIANAPOLIS AIRPORT AUTHORITY *

By: _____
Michael Wells, President

By: _____
Alfred R. Bennett, Secretary

DATED: _____

* Signed under authority of IAA Board Resolution #6-2013

DRAFT



BOARD MEMO – 2016 RATES & CHARGES ORDINANCE

To: IAA Board of Directors

From: Joseph R. Heerens, General Counsel

Date: November 30, 2015

Board Date: December 18, 2015

Subject: 2016 Rates & Charges Ordinance

Scope

Last month, the proposed Rates & Charges Ordinance for calendar year 2016 was “introduced” at the public meeting of the Board of the Indianapolis Airport Authority (“IAA”) held on November 20, 2015. The Board annually adopts an ordinance in order to implement a schedule of rates and charges for the use of the Airport’s facilities and services. All of the public notices about the introduction and public hearing of this proposed Ordinance have been properly published in the local newspapers, as required by Indiana law.

This proposed Ordinance sets forth rates (*both current and those proposed to be changed*) that, if approved, will go into effect at the beginning of next year (January 1, 2016). The following represents a summary of these changes (which are also shown by highlighting on the attached copy of the proposed Ordinance):

1. Section III: Consistent with the new “Airline Use Agreement” finalized this year with the Signatory Airlines, the following changes have been made:
 - a. The landing fee per 1,000 pounds of Certified Gross Landing Weight has been updated, as per the appropriate calculation: (i) for Signatory Airlines (those airlines signing the above-referenced “Airline Use Agreement”), the landing fee will increase from \$1.92 up to \$1.95; and (ii) for Non-Signatory Airlines (which are those airlines that do not sign said “Airline Use Agreement”), the landing fee will increase from \$2.88 up to \$2.93.
 - b. The annual space rental charge(s) per square foot has been updated, as per the appropriate calculation: (i) for Signatory Airlines, such rental will increase from \$95.11 up to \$114.09; and (ii) for Non-Signatory Airlines, such rental will increase from \$142.67 up to \$171.14. With respect to Aircraft Apron, rental will increase: (y) from \$0.27 up to \$0.71 for Signatory Airlines; and (z) from \$0.41 up to \$1.07 for Non-Signatory Airlines.

- c. The baggage space square footage will be allocated among the airlines based on a new percentage of total enplaned passengers.
 - d. The “per enplaned passenger fee” paid by non-signatory airlines having less than 3% of the total enplaned passengers at the Airport will increase, from \$7.23 up to \$7.58.
 - e. The “parking fee” for the apron area of the International Arrivals Ramp and the Remote Parking Areas will be decreased, from \$300 down to \$200, per twenty-four (24) hour period (or fraction thereof).
 - f. The “gate use fees” paid by Signatory Airlines and Non-Signatory Airlines has been updated, as per the appropriate calculation. In essence, the Signatory Airline fees are consistent with the terms of the new “Airline Use Agreement”; and the fees to be paid by the Non-Signatory Airlines will be 150% of the fees established for the Signatory Airlines.
2. Section IV:
- a. Eliminates the “per trip” fee of \$7.50 paid by off-Airport parking operators, and replaces it with a “gross revenue” fee equal to ten percent (10%) of all of the sales and fees of said off-Airport parking operator in connection with its customers arriving, departing, or using the Airport.
3. Section V:
- a. Increases the badge replacement fee charged for lost, misplaced or non-returned badges issued by the Airport’s Badging Office, from \$75 up to \$100.

Schedule

November 20, 2015	Introduction of General Ordinance No. 4-2015
December 18, 2015	Public Hearing/Consideration for Adoption of said Ordinance

Revenue and/or Operating Cost Implications

The annual Rates & Charges Ordinance is the principal document to impose fees and charges for the use of Airport’s facilities and services in support of the 2016 approved Operating and Capital Budgets of the IAA.

Recommendation

Approval and adoption of the attached General Ordinance No. 4-2015 is recommended.



BOARD MEMO – BUDGET APPROPRIATION

To: IAA Board of Directors

From: Robert Thomson, Sr. Director of Finance

Date: December 2, 2015

Board Date: December 18, 2015

Subject: 2015 Budget Appropriation Transfer – Resolution No. 15-2015

Scope

The Indianapolis Airport Authority has an approved 2015 budget appropriation for the Airport System Fund of \$198,696,000. 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.

As savings are anticipated from the Other Services & Charges budget line due to lower interest expense, budget classification transfers are being requested for the preservation of airport assets in the amount of \$500,000 to the Supplies & Materials budget line and \$500,000 to the Capital Outlay budget line classification.

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 2015 appropriation level. There are no business risks, revenue and/or additional operating cost implications with the transfer of funds between budget line items. Supplier Diversity Participation is not applicable to this request.

Recommendation

Consider for approval the transfer of amounts between budget line item classifications from the 2015 appropriations of the Indianapolis Airport Authority System Fund, as outlined in Appendix A, Resolution 15-2015.



BOARD MEMO – ASSET DISPOSITION

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: December 2, 2015

Board Date: December 18, 2015

Subject: Asset Disposition of IMC Tooling & Equipment

Background

In 2010, in accordance with the Bondholder Settlement Agreement between the Indianapolis Airport Authority (Authority) and The Bank of New York Trust Company (Trustee), the IAA staff began a tool lease program as a way to generate additional revenue for the IMC. The program has served companies not associated with the IMC to fulfill one-time tooling needs or as a stop gap until a permanent tooling solution can be put in place. The lease agreements are of varying duration and tend to be for specialty tools that typically are not readily available on the open market or that otherwise would require capital investment to purchase. The duration of these agreements can range from a few hours, to a few days, to several months or multiple years.

One such lease opportunity was entered into with Dallara, LLC. This agreement has been ongoing since 2011 and consist of items that have been returned by AAR Aircraft Services (AAR) to the Authority as surplus assets that were no longer needed by AAR. These assets are further detailed in Exhibit A. The equipment was originally purchased in the mid-1990's and all have aged approximately 20 years.

Pursuant to current State statute regarding the disposal of assets by a municipality, these assets can be disposed of via "Private Sale" contingent upon the current estimated value of the asset(s) being sold. Under this statute one (1) item can be sold via Private Sale as long as the estimated value is less than one thousand dollars (\$1,000), and more than one (1) item can be sold with an estimated value of less than five thousand dollars (\$5,000).

Scope

IAA Staff is requesting IAA Board adoption of Resolution No. 16-2015, authorizing the disposition of IMC assets via Private Sale to Dallara, LLC as detailed in Exhibit A.

Schedule

December 18, 2015: Approval of Resolution No. 16-2015, authorizing the disposal of IMC assets via Private Sale.

January 1, 2016: Asset disposition to Dallara, LLC.

Revenue and/or Operating Cost Implications

Revenue:

To date the IAA has received in excess of \$77,000 in revenue associated with leasing tooling and equipment to Dallara, LLC. The Private Sale creates an additional \$4,985 in revenue.

The estimated value of the assets is derived by a review of previous asset sales via auction as averaged.

IAA will continue to lease other equipment to Dallara LLC, as a separate transaction until such time as the parties agree that a Private Sale would be mutually beneficial.

Operating Costs:

No additional costs are incurred to support this resolution.

Supplier Diversity Participation

Not applicable.

Recommendation

The IAA Staff recommends the Board consider for approval Resolution No. 16-2015 concerning the disposition of certain IMC tooling & equipment assets via Private Sale to Dallara, LLC.



BOARD MEMO – AMENDMENT TO LEASE AGREEMENT

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: November 19, 2015

Board Date: December 18, 2015

Subject: Fourth Amendment to Lease Agreement with Greater Indianapolis Foreign Trade Zone, Inc. (GIFTZ)

Background

The GIFTZ leases warehouse, office, and cargo container yard space at the IMC. The GIFTZ has exercised their renewal option for their warehouse and office space. They will be returning the cargo container yard space effective January 31, 2016.

Scope

IAA Board adoption of Resolution No. 17-2015, authorizing the execution of the Fourth Amendment to Lease Agreement with the Greater Indianapolis Foreign Trade Zone, Inc.

IAA Staff requests the IAA Board execute the Fourth Amendment to the Lease Agreement with the Greater Indianapolis Foreign Trade Zone, Inc. to continue their occupancy at the IMC. This Amendment is effective February 1, 2016 and will terminate on January 31, 2017, with an additional option of one year, thereby potentially extending the termination date to January 31, 2018.

Schedule

December 18, 2015: Execution of the Fourth Amendment to IMC Lease Agreement with the Greater Indianapolis Foreign Trade Zone, Inc.

Revenue and/or Operating Cost Implications

Revenue:

Revenue for 7,200 sq. ft. of warehouse space at \$5.75 psf is \$41,400.00 per year.

Operating Costs:

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

Supplier Diversity Participation

Not applicable.

Recommendation

Consider for approval Resolution No. 17-2015 and Fourth Amendment to Lease Agreement with the Greater Indianapolis Foreign Trade Zone, Inc. for the continuation of leasing warehouse space at the IMC.

**IAA Board Meeting
General Agenda
December 18, 2015**

General:

- BP2015-12-1** ACTION #1 - Consider for approval the Agreement and Lease of Premises between the Indianapolis Airport Authority and Federal Express Corporation.
- ACTION #2 - Consider for approval the Agreement and Lease of Premises between the Indianapolis Airport Authority and Allegiant Air, LLC.
- BP2015-12-2** Consider for approval, this Second Amendment to the contract with ProLiance, LLC enabling the Treasurer and Assistant Treasurer to hedge natural gas to provide pricing certainty
- BP2015-12-3** Consider for approval a professional services contract with MZ Corporation dba Zurbuch Development/Construction Consulting in support of the IAA's Capital Improvement Program and Other Projects and Initiatives in an amount not-to-exceed \$250,000 (fees) and \$500 (expenses) for a total not-to-exceed amount of \$250,500. DBE 100% (Zurbuch), MBE 0%, WBE 100% (Zurbuch), and VBE 0%

Capital Program:

- BP2015-12-4** ACTION #1 - Consider for approval Plans and Specifications for Apron Stormwater Inlet Repairs, Phase III at Indianapolis International Airport - Project No. I-14-004 - as prepared by Journey Engineering, LLC and authorize the public bidding process
- ACTION #2 - Consider for approval Amendment No. 3 to the contract with Journey Engineering, LLC for Apron Stormwater Inlet Repairs, Phase III at Indianapolis International Airport, Project No. I-14-004, in an amount not-to-exceed \$19,457.76. Supplier Diversity participation on this amendment is MBE 0.00%, WBE 100.00% (Journey Engineering, LLC), and VBE 0.00%
- BP2015-12-5** Consider for approval an award of contract for Install Concourse Exhaust Ducts at Indianapolis International Airport, Project # I-15-006, to the lowest responsive and responsible bidder, Dallman Contractors, LLC, in an amount not-to-exceed \$147,459.00 plus a 3% construction reserve of \$4,423.77 for a total of \$151,882.77. Supplier diversity participation on contract is MBE 5.19% (JMH Roofing Co. & Harmon Steel), WBE 4.23% (Protection Plus), and VBE 0.00%
- BP2015-12-6** Consider for approval an award of contract for CEP – Boiler No. 2 Replacement (Installation) at Indianapolis International Airport, Project # I-15-053 to CMS, Corp. in an amount not-to-exceed \$125,888.00 plus a 3% construction reserve of \$3,776.64 for a total of \$129,664.64. CMS, Corp. is the lowest responsive and responsible bidder. Supplier diversity participation on this contract is MBE 85.00% (CMS, Corp.), WBE 0.00%, and VBE 0.00%

- BP2015-12-7** Consider for approval Amendment No. 1 – a Time Only Extension - for Airfield Pavement Evaluation and Management Plan Update at Indianapolis International Airport, Project # I-15-003 to Roy D. McQueen and Associates, Ltd
- BP2015-12-8** Consider for approval Amendment No. 4 to the contract with Reynolds, Smith & Hills, Inc. for Indianapolis International Airport Master Plan Phase II (I-12-002) and IND Master Plan Phase III – Snow Removal Equipment and Material Storage Site Planning at Indianapolis International Airport (I-15-031). This amendment is Time Only Extension and as such has no impact to project cost or supplier diversity
- BP2015-12-9** Consider for approval a professional services contract with Synthesis Incorporated for IND Terminal Optimization Program at Indianapolis International Airport, Project # I-16-010, in an amount not-to-exceed \$762,300.00 (fees) and \$83,000.00 (expenses) for a total not-to-exceed amount of \$845,300.00. Supplier diversity participation on contract is MBE 2.22% (Indiana Strategic Resource Group, Inc.), WBE 34.23% (Synthesis Incorporated), and VBE 2.38% (Guidon Design, Inc.)
- BP2015-12-10** Consider for approval Plans and Specifications for Garage Atrium Canopy Replacement & Addition of a Glass Enclosure Wall – Bid Package #2 and Bid Package #3 at Indianapolis International Airport, Project # I-15-010, as prepared by Walker Parking Consultants, Inc. and authorize the public bidding process
- BP2015-12-11** Consider for approval Change Order No. 3 (Final & Balancing) with Thieneman Construction, Inc. for Stormwater and Deicing Control & Capacity - Phase 3 at Indianapolis International Airport, Project No. I-15-048, in an amount not-to-exceed \$180,782.58



BOARD MEMO - AIRLINE USE AGREEMENT

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: December 2, 2015

Board Date: December 18, 2015

Subject: Agreement and Lease of Premises (AUA Agreement)

Background

The Airport Authority’s current use and lease agreement with the cargo and passenger airlines for use of the terminal, aircraft apron and airfield areas expires on December 31, 2015. The new AUA Agreement defines the rental structure and operational requirements for the signatory carriers (Airlines). The Authority began preparing for a new AUA Agreement in 2013 and began monthly negotiation meetings with the Airlines in December 2014.

The Authority and the current signatory airlines came to substantial agreement on business terms during August 2015 with five of the current Airlines executing letters-of-intent (LOI) to memorialize that understanding. The LOI’s most significantly memorialized the understanding of the rate making methodology IAA used to calculate the actual rates the Authority will begin charging January 1, 2016.

A summary of the significant business terms “current” vs. “new” are shown below:

- | <u>Current</u> | <u>New</u> |
|--|---|
| <ul style="list-style-type: none"> ▪ 5 Year Term (2011 – 2015) | <ul style="list-style-type: none"> ▪ 5 Year Term (2016 – 2018, with two optional extensions 2019,2020) |
| <ul style="list-style-type: none"> ▪ Airfield Residual model | <ul style="list-style-type: none"> ▪ Cost Center Residual model |
| <ul style="list-style-type: none"> ▪ Capital cash flow generation: <ul style="list-style-type: none"> ▪ \$9,955,700 avg / yr ▪ No amortization | <ul style="list-style-type: none"> ▪ Capital cash flow generation: <ul style="list-style-type: none"> ▪ \$17,954,500 avg / yr ▪ No amortization |
| <ul style="list-style-type: none"> ▪ No MII vote required for capital projects which do not require the issuance of Revenue Bonds | <ul style="list-style-type: none"> ▪ No MII vote required for capital projects which do not require the issuance of Revenue Bonds |

Scope

The AUA Agreement is structured as a five year agreement with an initial three year term and two one year extension periods. The lease will govern the method by which Airline rates & charges are calculated through the term of the lease (2016 – 2018 and then 2019 and 2020 respectively, if either or both extension options are offered by IAA and accepted by the Airlines).

In addition to key business terms, Authority staff / General Counsel have reviewed, updated and addressed all operational, environmental, and legal language within the agreement.

During the October 2015 Board Meeting, the IAA Board approved the AUA Agreement document between the Authority and the signatory airlines. The purpose of this Board Memo is to bring forward the individual AUA Agreements executed by the signatory airlines. For the December Board Meeting the following signatory airlines are brought forward for document execution. They are: Federal Express Corporation and Allegiant Air, LLC.

Recommendation

ACTION #1 - Consider for approval the Agreement and Lease of Premises between the Indianapolis Airport Authority and Federal Express Corporation.

ACTION #2 - Consider for approval the Agreement and Lease of Premises between the Indianapolis Airport Authority and Allegiant Air, LLC.



BOARD MEMO – CONTRACT AMENDMENT

To: IAA Board of Directors

From: Robert Thomson, Sr. Director of Finance

Date: December 2, 2015

Board Date: December 18, 2015

Subject: ProLiance LLC Contract, Second Amendment

Background

On October 15, 2010, the IAA Board adopted the Commodity Price Hedging Policy (Resolution no. 15-2010) which authorized the Treasurer to enter into commodity hedging contracts for the purpose of: (1) reducing price volatility and (2) meeting budgetary goals. This allowed the Authority budget certainty on pricing of natural gas during a time of great volatility.

In December of 2011, the Authority entered into a contract with ProLiance for the delivery of natural gas for use by the IAA to Citizen's City Gate facility at pricing based on Nymex spot pricing, as well as the ability to hedge natural gas prices based on Nymex futures pricing. The Authority has continued to hedge natural gas under this contract and provide that budget certainty since 2011, the contract was amended in 2013 and that amendment has since expired.

This second amendment to the contract is to serve two purposes:

1. To add back into the contract the evergreen language that allows the Authority to terminate the contract with 30 Day's written notice.
2. Delete Exhibit C from the Base Agreement, this gives the Authority more flexibility to add and/or remove meters under the contract (Exhibit C is a listing of the exact meters allowed in the contract at the time of original execution).

Scope

Authority Staff is requesting IAA Board approval of an amendment which enables the Treasurer and Assistant Treasurer to hedge natural gas to provide pricing certainty. This contract automatically renews, but is cancellable by the Authority with 30 days written notice and enables the hedging to occur, however does not bind the Authority into any long-term hedges.

Schedule

December 18, 2015: Approval of the contract Amendment with ProLiance, LLC, authorizing the Treasurer and/or the Assistant Treasurer to hedge natural gas to provide budget certainty.

Revenue and/or Operating Cost Implications

There are no changes to revenue or operating costs under this contract. It allows budget certainty with regards to the cost of natural gas.

Supplier Diversity Participation

Not applicable.

Recommendation

The IAA Staff recommends the Board consider for approval, this Second Amendment to the contract with ProLiance, LLC.



BOARD MEMO – CONTRACT AWARD

To: IAA Board of Directors

From: Shannetta Griffin, P.E., Sr. Director of Planning & Development

Date: December 8, 2015

Board Date: December 18, 2015

Subject: Approval of Professional Services Contract with MZ Corporation dba Zurbuch Development/Construction Consulting for Professional Services for Staff Augmentation & Project Management Services of Indianapolis Airport Authority Projects

Background

On September 18, 2015, the IAA issued a Request for Qualifications (RFQ) to select consultants to assist the IAA with staff augmentation and project management services, with responses due on October 28, 2015. Nine (9) proposals were received. A review committee made up of three (3) IAA representatives reviewed and ranked the proposals. MZ Corporation dba Zurbuch Development/Construction Consulting (Zurbuch Consulting) was selected based on its proposal and demonstrated history of providing the requested services to the IAA.

Scope & Budget

This contract provides professional services in support of IAA’s Capital Improvement Program and other projects and initiatives for an estimated 2,000 hours in 2016.

The 2016 rate is \$125 per hour. This rate is favorable for the experience and knowledge provided by Zurbuch Consulting’s staff and is generally less than project manager rates billed by engineering consulting firms. The Zurbuch Consulting contract is \$250,500; \$250,000 (fees) plus \$500 (expenses). The funding for this contract is from the 2016 Engineering Operating Budget and projects in the approved 2016 Capital Budget.

Schedule

The term of this contract is expected to begin **December 18, 2015** and conclude **December 31, 2016**.

Supplier Diversity Participation

Zurbuch Consulting is a DBE and WBE firm thus the Supplier Diversity Participation is as follows:

Firm	Amount				%			
	DBE	MBE	WBE	VBE	DBE	MBE	WBE	VBE
Zurbuch Consulting	\$250,500.00	\$0.00	\$250,500.00	\$0.00	100.00%	0.00%	100.00%	0.00%
Totals	\$250,500.00	\$0.00	\$250,500.00	\$0.00	100.00%	0.00%	100.00%	0.00%

Recommendation

The IAA staff has reviewed the proposal and recommends the Board consider for approval a professional services contract with MZ Corporation dba Zurbuch Development/Construction Consulting in support of the IAA's Capital Improvement Program and Other Projects and Initiatives in an amount not-to-exceed \$250,000 (fees) and \$500 (expenses) for a total not-to-exceed amount of \$250,500. DBE 100% (Zurbuch), MBE 0%, WBE 100% (Zurbuch), and VBE 0%.



BOARD MEMO – AMENDMENT, PLANS & SPECS APPROVAL

To: IAA Board of Directors

From: Shannetta Griffin, P.E., Sr. Director of Planning & Development

Date: December 8, 2015

Board Date: December 18, 2015

Subject: Approval of Plans and Specifications and Amendment No. 3 with Journey Engineering, LLC for Apron Stormwater Inlet Repairs, Phase III at Indianapolis International Airport, Project No. I-14-004, and Authorize the Public Bidding Process

Background

The Indianapolis International Airport (IND) Terminal Apron was constructed in 2007 and opened to aircraft in 2008. In 2013, an Indianapolis Airport Authority (IAA) maintenance employee noticed one of the 124 apron drainage inlets was broken. The apron area around the inlet was closed and the broken inlet was repaired.

An extensive assessment of the remaining 123 apron drainage inlets (apron inlets) was performed and identified that numerous apron inlets require corrective action.

In 2014, Apron Stormwater Inlet Repairs, Phase I repaired 7 inlets identified as most critical to the safe operation of aircraft at IND. The Phase I repairs all involved full replacement of slab and grate.

In 2015, Apron Stormwater Inlet Repairs, Phase II repaired 7 inlets. The Phase II repairs all involved cast iron plates to improve the load transfer from the apron inlet grate to the surrounding concrete.

Apron Stormwater Inlet Repairs, Phase III is primarily the addition of cast iron plates to improve the load transfer from the apron inlet grate to the surrounding concrete, not completed in Phase II. There are also eight full concrete panel repairs similar to Phase I.

Through a qualifications based request for proposals (RFP) process, Journey Engineering, LLC was selected as the designer for this project.

Journey Engineering, LLC, Amendment No. 3

On January 17, 2014, the Board executed a contract with Journey Engineering, LLC for Apron Inlet Repairs professional services including investigation of inlets along with initial, preliminary and final design and bidding assistance, and construction administration for Phase I. Amendment No.

1 was executed by the Board on August 15, 2014, and provided construction inspection services during Phase I. Amendment No. 2 was executed by the Board on April 20, 2015, and provided construction inspection services during Phase II.

Amendment No. 3 provides for updated design and revised phasing plan for Phase III, and construction administration and inspection services to be performed by members of the design firm for Phase III. Given the complex nature of the repairs and the need to execute the work efficiently to minimize the impact to the airlines during gate closures, having the design team in the field to address any issues that may arise is a benefit to the IAA. Also, the IAA inspection staff is assigned to other airfield projects concurrent with this project, so external resources are needed to ensure project work is being executed in accordance with the plans and specifications.

Scope

Approval of Plans and Specifications

The scope of work includes full panel and grate structure replacement or installation of cast iron grate supports, and joint sealing for concrete pavements containing stormwater inlets on the Terminal Apron at IND as shown on the attached exhibit.

Journey Engineering, LLC, Amendment No. 3

The scope of this Amendment No. 3 is for updated design revised phasing plan with construction administration and inspection services for Phase III of Apron Stormwater Inlet Repairs, Project No. I-14-004, at IND.

Budget

Approval of Plans and Specifications

Total construction package is estimated between \$500,000 and \$1,000,000. The range is established per Federal Acquisition Regulation Subpart 36.2.

Journey Engineering, LLC, Amendment No. 3

This contract Amendment No. 3 is \$19,457.76, which is within the approved 2015 Capital Budget for Apron Stormwater Inlet Repairs, Phase III.

This project will be 100% Airport cash funded.

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

Schedule

Approval of Plans and Specifications

Advertisement of Opportunity to Bid: December 21, 2015 and December 28, 2015

Pre-Bid Meeting: January 6, 2015 3:00 pm
Main Terminal Board Room – Level 4
Bid Opening: January 27, 2015 3:00 pm
Main Terminal Board Room – Level 4

Contract award anticipated February 19, 2016 and the substantial completion date is expected to be November 2016. The work will be performed in phases to minimize impact on the airlines by closing no more than one gate per airline at a time.

Journey Engineering, LLC, Amendment No. 3

The contract term will be extended by Amendment No. 3 to July 30, 2017 for project closeout and 10-month warranty inspection.

Supplier Diversity Participation

Approval of Plans and Specifications

The Director of Supplier Diversity established the following participation goals:
MBE 25%, WBE 10%, and VBE 3%

Journey Engineering, LLC, Amendment No. 2

The Director of Supplier Diversity has approved the following for Amendment No. 3:

Firm	Amount			%		
	MBE	WBE	VBE	MBE	WBE	VBE
Amendment #3						
Journey Eng., LLC	\$0.00	\$19,457.76	\$0.00	0.00%	100.00%	0.00%
Totals	\$0.00	\$19,457.76	\$0.00	0.00%	100.00%	0.00%

Contract Summary to Date

Journey Engineering Contract/Amendment & Execution Date	Service & Term	Amount	Minority Participation %		
			MBE	WBE	VBE
Original Contract, Phase I January 17, 2014	Professional Services Term: 1/17/14 – 12/31/14	\$ 202,139.92	16.28%	62.53%	4.88%
Amendment 1, Phase I August 15, 2014	Professional Services Term: Extend to 12/31/15	52,417.50	0.00%	100%	0.00%
Amendment 2, Phase II March 20, 2015	Professional Services Term: Extend to 6/30/16	79,467.00	0.00%	94.04%	0.00%
Amendment 3, Phase III December 18, 2015	Professional Services Term: Extend to 7/30/17	19,457.76	0.00%	100%	0.00%
	Revised Contract NTE	\$ 353,482.18	8.97%	77.38%	2.69%

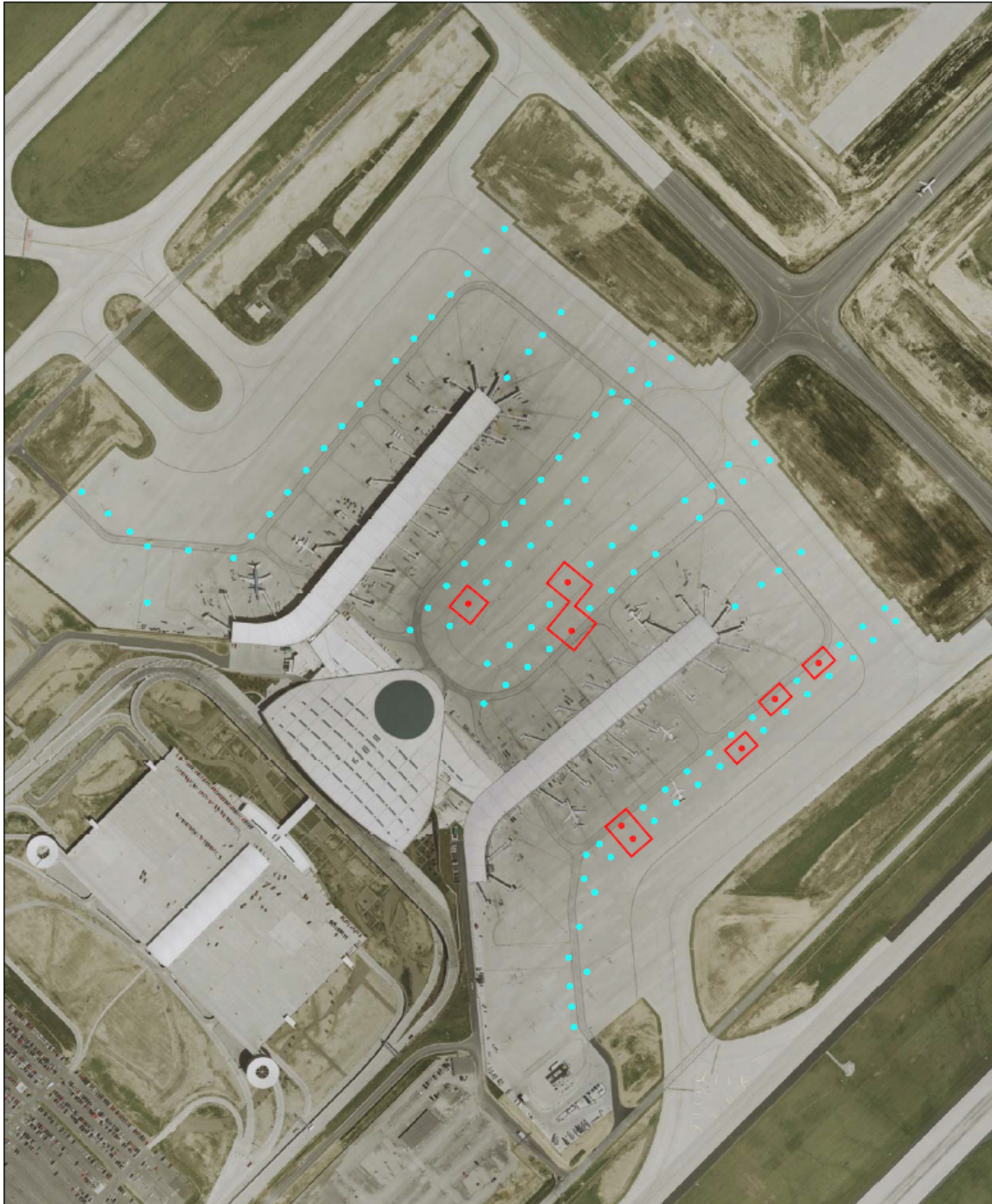
Recommendation

Approval of Plans and Specifications

The IAA staff recommends that the Board consider for approval Plans and Specifications for Apron Stormwater Inlet Repairs, Phase III at Indianapolis International Airport - Project No. I-14-004 - as prepared by Journey Engineering, LLC and authorize the public bidding process.

Journey Engineering, LLC, Amendment No. 3

The IAA staff also recommends that the Board consider for approval Amendment No. 3 to the contract with Journey Engineering, LLC for Apron Stormwater Inlet Repairs, Phase III at Indianapolis International Airport, Project No. I-14-004, in an amount not-to-exceed \$19,457.76. Supplier Diversity participation on this amendment is MBE 0.00%, WBE 100.00% (Journey Engineering, LLC), and VBE 0.00%.



INDIANAPOLIS INTERNATIONAL AIRPORT



**APRON STORMWATER
INLET REPAIRS – PHASE III
I-14-004**

- - STORM WATER INLET
- - FULL PANEL REPAIRS





BOARD MEMO – CONTRACT AWARD

To: IAA Board of Directors

From: Shannetta Griffin, P.E., Sr. Director of Planning & Development

Date: December 8, 2015

Board Date: December 18, 2015

Subject: Award of Construction Contract to Dallman Contractors, LLC for Install Concourse Exhaust Ducts – Project # I-15-006 at Indianapolis International Airport

Background

The existing grease exhaust ducts that serve the kitchens at Granite City Food and Brewery and Champps Americana restaurants in the terminal concourses were intended to be temporary and are now required to be replaced by permanent exhaust ducts.

The plans and specifications for Install Terminal Exhaust Ducts at Indianapolis International Airport (prepared by CSO Architects) were approved, and public bidding authorized, by the Board on October 16, 2015.

On November 19, 2015, the IAA staff received 2 bids. The project contained a base bid only. The bids received ranged from \$147,459.00 to \$157,350.00, with Dallman Contractors, LLC being the lowest responsive and responsible bidder in the amount of \$147,459.00. The Engineer of Record, CSO Architects, therefore recommended an award of contract to Dallman Contractors, LLC.

In addition to the contract amount, IAA is requesting a reserve of 3% of the total contract amount for this project. A reserve of 3% has been previously approved by the Board on other projects and successfully implemented to ensure timely approval of minor changes necessary due to unforeseen conditions and circumstances. There are sufficient dollars within this project's budget to accommodate the funding of the 3% contingency for a reserve. Any change orders exceeding the contract and construction reserve will be submitted to the Board for approval.

Scope

This contract is to install permanent exhaust ducts for Granite City restaurant located on Concourse A and Champps Americana restaurant located on Concourse B. After each installation the contractor will balance the system, remove the temporary exhaust ducts, and infill the wall penetrations left vacant by the removals.

Budget

The construction contract is \$147,459.00, which is within the approved 2015 Capital Budget for Install Concourse Ducts, Project #I-15-006.

This project will be 100% Airport cash funded.

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

Schedule

Notice-to-Proceed is anticipated on January 4, 2016 and substantial completion is expected to occur in May 2016.

Supplier Diversity Participation

The Director of Supplier Diversity has approved the following:

Firm	Amount			%		
	MBE	WBE	VBE	MBE	WBE	VBE
JMH Roofing Company	\$ 4,500.00	\$ -	\$ -	3.05%	0.00%	0.00%
Harmon Steel	\$ 3,160.00	\$ -	\$ -	2.14%	0.00%	0.00%
Protection Plus Inc.	\$ -	\$ 6,240.00	\$ -	0.00%	4.23%	0.00%
Totals	\$ 7,660.00	\$ 6,240.00	\$ -	5.19%	4.23%	0.00%

Recommendation

The IAA staff recommends the Board consider for approval an award of contract for Install Concourse Exhaust Ducts at Indianapolis International Airport, Project # I-15-006, to the lowest responsive and responsible bidder, Dallman Contractors, LLC, in an amount not-to-exceed \$147,459.00 plus a 3% construction reserve of \$4,423.77 for a total of \$151,882.77. Supplier diversity participation on contract is MBE 5.19% (JMH Roofing Co. & Harmon Steel), WBE 4.23% (Protection Plus), and VBE 0.00%.



BOARD MEMO – CONTRACT AWARD

To: IAA Board of Directors

From: Shannetta Griffin, P.E., Sr. Director of Planning & Development

Date: December 8, 2015

Board Date: December 18, 2015

Subject: Award of Construction Contract for CEP – Boiler No. 2 Replacement (Installation) at Indianapolis International Airport, Project #I-15-053 to CUSTOM MECHANICAL SYSTEMS, CORP. (CMS)

Background

The Indianapolis Maintenance Center (IMC) was built in 1994. The Central Energy Plant (CEP) located at the IMC, which houses four (4) boilers that are used in rotation to supply steam for the IMC and hot water for the Indianapolis Airport Terminal Building.

In January 2014, a project was undertaken to replace the combustion controls on the four boilers, install mechanical upgrades, and install two feed-water control valves. During the course of the work, the sub-contractor failed to open the feed water supply during a boiler start-up and as a result damaged Boiler No. 2.

Subsequent investigation by the contractor's insurance company and review by the IAA's insurance company revealed Boiler No. 2 was badly damaged and required replacement. IAA staff are currently working with the contractor's insurance company to obtain reimbursement for the boiler. Concurrently, due to the operational desire to maintain back-up capabilities, staff is moving forward with replacement of Boiler No. 2. Due to the long lead time necessary to manufacture the boiler, this project was bid in two phases. Phase 1, the procurement of the boiler, was awarded at the September 2015 Board Meeting. Phase 2 is the demolition and removal of the damaged boiler, as well as installation of the new boiler scheduled to arrive at the Central Energy Plant on January 7, 2016.

On October 16, 2015, the Board approved plans and specifications prepared by HNTB for Phase 2 CEP – Boiler No. 2 replacement at Indianapolis International Airport, Project # I-15-053 and authorized the public bidding process.

On November 20, 2015, the IAA staff received five bids. The project contained a base bid only. The base bids received ranged from \$125,475.00 to \$239,300.00. One bid was not read for lack of a proper bid bond, and the lowest bidder was declared non-responsive. Therefore, CUSTOM MECHANICAL SYSTEMS, CORP. (CMS) is the lowest responsive and responsible bidder in the

amount of \$125,888.00. The Engineer of Record, HNTB Corporation, recommends an award of contract to CMS, Corp.

In addition to the contract amount, IAA is requesting a reserve of 3% of the total contract amount for this project. A reserve of 3% has been previously approved by the Board on other projects and successfully implemented to ensure timely approval of minor changes necessary due to unforeseen conditions and circumstances. There are sufficient dollars within this project's budget to accommodate the funding of the 3% contingency for a reserve. Any change orders exceeding the contract and construction reserve will be submitted to the Board for approval.

Scope

This contract is for the removal of the damaged boiler and the installation and commissioning of the new boiler in the space previously occupied by Boiler No. 2. The contractor will work with the manufacturer to install, start, test, and commission the new boiler No. 2.

Budget

The construction contract is \$125,888.00, which is within the approved 2015 Capital Budget for CEP – Boiler No. 2 Replacement, Project # I-15-053.

CEP - Boiler No. 2 Replacement

Boiler Installation Contract Amount (including 3% reserve)	\$	129,664.64
Boiler Purchase Contract Amount (including 3% reserve)		314,150.00
Design - Phase 1 & 2		58,797.00
HNTB Amendment 1 - Phase 2		95,253.00
Advertisements for Bid		250.00
Anticipated Project Cost for Boiler Procurement and Phase 1 & 2 Professional Services	\$	598,114.64

This project will be 100% Airport cash funded.

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

Schedule

Contract award anticipated December 18, 2015 and the substantial completion date is expected to be April 2015.

Supplier Diversity Participation

The Director of Supplier Diversity has approved the following:

Firm	Amount			%		
	MBE	WBE	VBE	MBE	WBE	VBE
CMS Corp.	\$ 107,004.80	\$ -	\$ -	85.00%	0.00%	0.00%

Recommendation

The IAA staff recommends the Board consider for approval an award of contract for CEP – Boiler No. 2 Replacement (Installation) at Indianapolis International Airport, Project # I-15-053 to CMS, Corp. in an amount not-to-exceed \$125,888.00 plus a 3% construction reserve of \$3,776.64 for a total of \$129,664.64. CMS, Corp. is the lowest responsive and responsible bidder. Supplier diversity participation on this contract is MBE 85.00% (CMS, Corp.), WBE 0.00%, and VBE 0.00%.



BOARD MEMO – APPROVAL OF AMENDMENT

To: IAA Board of Directors

From: Shannetta Griffin, P.E., Sr. Director of Planning & Development

Date: December 8, 2015

Board Date: December 18, 2015

Subject: Approval of Amendment No. 1 for Airfield Pavement Evaluation and Management Plan Update at Indianapolis International Airport, Project #I-15-003 with Roy D. McQueen and Associates, Ltd.

Background

As Per Federal Aviation Administration (FAA) Grant Assurance C-11, airports seeking federal grant funding are required to implement “an effective airport pavement maintenance-management program” in order to maintain eligibility for federal funding.

On January 16, 2015 the Board executed a contract with Roy D. McQueen and Associates, Ltd. for the Airfield Pavement Evaluation and Management Plan Update at the Indianapolis International Airport (I-15-003). The original contract end date is December 31, 2015.

Due to delays in IND’s runway and taxiway rehabilitation project, Roy D. McQueen and Associates, Ltd. were prohibited from finishing their field inspections within the original project schedule. A time only extension amendment to the contract will be needed to allow for IAA review of the draft report and report finalization.

Scope

There is no impact on the scope for this time only extension.

Budget

There is no impact on the budget for this time only extension.

Schedule

The contract term will be extended by Amendment 1 to March 31, 2016 to allow for IAA review of the draft report and report finalization.

Supplier Diversity Participation

There is no impact on the supplier diversity participation for this time only extension.

Contract Summary to Date

Contract/Amendment & Execution Date	Service & Term	Amount	DBE	MBE	WBE	VBE
Original Contract 1/23/15	Professional Services Term: 1/23/15 - 12/31/15	\$ 201,830.00	89.63%	85.21%	5.16%	2.62%
Revised Contract NTE		\$ 201,830.00	89.63%	85.21%	5.16%	2.62%

Recommendation

The IAA staff recommends the Board consider for approval Amendment No. 1 – a Time Only Extension - for Airfield Pavement Evaluation and Management Plan Update at Indianapolis International Airport, Project # I-15-003 to Roy D. McQueen and Associates, Ltd.



BOARD MEMO – APPROVAL OF AMENDMENT

To: IAA Board of Directors

From: Shannetta Griffin, P.E., Sr. Director of Planning & Development

Date: December 8, 2015

Board Date: December 18, 2015

Subject: Approval of Amendment No. 4 with Reynolds, Smith & Hills, Inc. (RS&H) for the Indianapolis International Airport Master Plan Phase II, Project # I-12-002 and IND Master Plan Phase III – Snow Removal Equipment and Material Storage Site Planning at Indianapolis International Airport, Project # I-15-031

Background

The Indianapolis Airport Authority (IAA) is in the process of completing a phased update of the Indianapolis International Airport (IND) Master Plan (MP). The IND MP is a comprehensive study of an airport that describes the short- (1 – 5 years), medium- (5 - 10 years), and long-term (10 – 20 years) development plans needed to meet future aviation demand. Phase I of the master plan was completed September 2012 and Phase II is in its final internal review stage.

The following represents the chronologic history of the project prior to this Amendment:

- April 20, 2012, Board approved the Phase I contract with Reynolds Smith and Hills, Inc. (RS&H). RS&H was selected for the Master Plan through a Request for Proposal (RFP) process per FAA requirements in 2011.
- November 16, 2012, contract for Phase II approved.
- February 15, 2013, Amendment No. 1 was approved to reduce the Phase II scope for the short-term focus.
- August 15, 2014, an Amendment No. 2 of the Phase II scope was approved to include a demand/capacity analysis to identify the conditions and timing of the development of the 3rd parallel runway south of I-70.
- February 20, 2015, Amendment No. 3 was approved to include Phase III for planning of a replacement site for the snow removal equipment and material storage and maintenance functions currently centered around Building No. 2. (This project is included in the approved 2015 Capital Budget as “Construct New Airfield Maintenance Facility.” Amendment No. 3 was been retitled as “IND Master Plan Phase III – Snow Removal Equipment and Material Storage Site Planning” to better reflect the planning nature of this initial stage as a continuing part of the MP).

Scope

This Amendment No. 4 is a Time Only Extension that will extend the length of the contract to allow RS&H to complete the scope of work for Phase II and Phase III.

Project Cost

This amendment is for time extension only, with no impact to the project cost.

Schedule

The contract term will be extended by Amendment No. 4 to June 30, 2016.

Supplier Diversity Participation

This amendment is for time extension only, with no impact to supplier diversity.

Recommendation

The IAA staff recommends that the Board consider for approval Amendment No. 4 to the contract with Reynolds, Smith & Hills, Inc. for Indianapolis International Airport Master Plan Phase II (I-12-002) and IND Master Plan Phase III – Snow Removal Equipment and Material Storage Site Planning at Indianapolis International Airport (I-15-031). This amendment is Time Only Extension and as such has no impact to project cost or supplier diversity.



BOARD MEMO – CONTRACT AWARD

To: IAA Board of Directors

From: Shannetta Griffin, P.E., Sr. Director of Planning & Development

Date: December 8, 2015

Board Date: December 18, 2015

Subject: Approval of Professional Services Contract with Synthesis Incorporated for IND Terminal Optimization Program at Indianapolis International Airport, Project # I-16-010

Background

The Indianapolis International Airport has been in operation since 2008, with millions of passengers and guests having passed through the terminal building. To insure alignment with the changing population demographics, technology advancements, and customer services needs, the IAA is developing a Terminal Optimization Program. This program will analyze our customer base, develop a “Sense of Place” that portrays the IAA image in respect to the iconic values of Indianapolis and the State of Indiana. This Sense of Place will be the foundation for maintaining a cohesive design throughout the refurbishment and/or updating the terminal building. This will be essential in order for the IND Terminal to sustain a high level of customer satisfaction, as well as to increase revenues.

One of the key drivers for this project is the preparation for the 2018 renewal date of the original concessions and retail leases which were initiated in 2008 when the terminal opened. Although concession and retail entities are required to refurbish their areas of occupancy separately from this project, Sense of Place design initiatives derived from this IND Terminal Optimization Program effort will be incorporated into their 2018 leases.

Other key areas of focus for the IND Terminal Optimization Program include:

- Improved guest experiences
- Way-finding signage
- Customer focus areas (hold rooms, Civic Plaza, ticketing, and baggage claim areas)
- Technology upgrades
- Electric charging stations
- Concession imaging
- Support of airline operational efficiency (reverse ATMs, self-check boarding pass kiosks, self-check luggage stations, gate information display improvements, etc.).

On July 20, 2015, the IAA issued a qualifications based Request for Proposals (RFP) to select a designer for this project, with responses due on August 11, 2015. Three (3) proposals were

received. A review committee made up of seven (7) IAA representatives reviewed the proposals. All three (3) proposers were invited to interview with the IAA review committee. Interviews were held on September 16 and 17, 2015. Synthesis Incorporated was ranked highest by the committee.

Scope

This initial phase of the project includes research and development of a customer profile, develop an IND “Sense of Place” theme, and the research and development of concepts for design initiatives to implement throughout the IND campus. Following this phase of the project, IAA staff will negotiate the second phase of the project, which will include project management of other airport department’s consultants to develop a complete Terminal Optimization Program for implementation.

Budget

The professional services contract is \$845,300.00, which is within the approved 2016 Capital Budget for IND Terminal Optimization, Project I-16-010.

This project will be 100% Airport cash funded.

This project does not have an internal rate of return and is thus below the hurdle rate policy threshold of 12.50%. However, this project is being undertaken primarily as a customer service initiative and is expected to provide a better airport experience for passengers.

Schedule

Contract award is anticipated December 18, 2015, with a completion date of March 31, 2017.

Supplier Diversity Participation

The Director of Supplier Diversity has approved the following:

Firm	Amount			%		
	MBE	WBE	VBE	MBE	WBE	VBE
Synthesis	\$ -	\$ 289,350.00	\$ -	0.00%	34.23%	0.00%
Guidon Design	-	-	20,150.00	0.00%	0.00%	2.38%
ISRG, Inc.	\$ 18,800.00	\$ -	\$ -	2.22%	0.00%	0.00%
Totals	\$ 18,800.00	\$ 289,350.00	\$ 20,150.00	2.22%	34.23%	2.38%

Contract Total \$ 845,300.00

Recommendation

The IAA staff recommends the Board consider for approval a professional services contract with Synthesis Incorporated for IND Terminal Optimization Program at Indianapolis International Airport, Project # I-16-010, in an amount not-to-exceed \$762,300.00 (fees) and \$83,000.00 (expenses) for a total not-to-exceed amount of \$845,300.00. Supplier diversity participation on contract is MBE 2.22% (Indiana Strategic Resource Group, Inc.), WBE 34.23% (Synthesis Incorporated), and VBE 2.38% (Guidon Design, Inc.).



BOARD MEMO – PLANS & SPECIFICATIONS APPROVAL

To: IAA Board of Directors

From: Shannetta Griffin, P.E., Sr. Director of Planning & Development

Date: December 8, 2015

Board Date: December 18, 2015

Subject: Approval of Plans and Specifications for Garage Atrium Canopy Replacement & Addition of a Glass Enclosure Wall – Bid Package #2 and Bid Package #3 at Indianapolis International Airport, Project # I-15-010, and Authorize the Public Bidding Process

Background

On September 15, 2014, the Executive Director signed a contract with Walker Parking to perform feasibility studies for corrective actions regarding issues with the parking garage atrium canopy. These studies looked at a number of options based upon either a complete demolition of the existing system and construction of a new canopy and structure, or re-using the existing canopy structure with new tensioned Teflon fabric and added supplemental structural steel members. The various options were compared based on replacement cost, maintenance requirements of each new canopy system, functionality of each new system and appearance to the public. After completing the study, the Airport determined the best approach when taking into account the various criteria was to replace the existing system with new tensioned Teflon fabric and added supplemental structural steel members to increase support within the canopy framing.

On July 25, 2015, a new contract signed by the Executive Director was awarded to Walker Parking Consultants, Inc. to perform preliminary design services for the selected system in order to confirm the viability of this design, to allow sufficient time to bid for construction services in 2015, and to ensure the installation work for the new canopy can be accomplished before winter of 2016. Due to the obvious advantages to the operation of the Parking Garage to concurrently construct the glass enclosure wall at the fifth level of the garage around the garage atrium (previously included within an earlier CIP Project), it was decided to merge the canopy replacement work and the addition of the glass enclosure wall into a single Capital Project.

At the August 21, 2015 Board Meeting, Contract Amendment No. 1 was approved for Walker Parking's design contract covering the completion of the design documents, bidding support, and construction phase services.

Due to the complexity and potential impact to the garage facilities, traveling public and rental car companies, it was determined the Airport Authority would procure the Professional Services of a CM organization. The CM is tasked with assisting the Airport in managing the on-site

construction process, providing expertise in estimating costs during pre-construction, and providing input during design and construction regarding potential site craning issues, logistical constraints, and operational impacts, as well as coordinating construction activities with the daily operation of the Parking Garage.

On July 9, 2015, the IAA issued a qualifications based Request for Proposals (RFP) to select a construction manager for this project with the responses due by July 30, 2015. Seven proposals were received. A review committee made up of six IAA representatives reviewed and ranked the proposals. Hunt Construction Group was ranked highest by the committee to meet this project's CM requirements. A Contract for Professional Services for Construction Manager was approved and awarded to Hunt Construction Group at the September 18, 2015 Board meeting.

It has been determined by the Planning and Development staff that it would be advantageous to the Airport to bid the work in three separate bid packages. Staff expect a lower overall cost by breaking up the work into smaller, more specialized scopes of work, while providing the designer more flexibility in meeting the design schedule by focusing first on the longer lead item - the canopy work. The lower cost would result by eliminating the general contractor mark-up for the different types of work and going directly to the specialty contractors. This will increase the potential for competition among bidders and also accommodate a construction schedule that is better suited for the time frames in which the work is expected to be performed.

Scope

The scope of these separate bid packages includes:

1. Bid Package #1 Includes: New supplemental canopy framing members with additional bracing, removal of existing canopy, and the installation of a new tensile fabric canopy. Approval to Bid for Package #1 was granted at the November 20, 2015 IAA Board meeting.
2. Bid Package #2 Includes: the construction of the new glass enclosure wall around the atrium at the 5th level. **Staff recommends the Board consider for approval Plans and Specifications for Bid Package #2 and authorize the public bidding process at this December 18, 2015 Board meeting.**
3. Bid Package #3 Includes: a general conditions package that would cover the work impacted by both areas of work such as:
 - Safety barricades
 - Concrete work
 - Signage
 - General cleaning
 - General painting

Staff also recommends the Board consider for approval Plans and Specifications for Bid Package #3 and authorize the public bidding process at this December 18, 2015 Board meeting.

Budget

The total construction cost of Bid Package #2 described above is estimated between \$500,000 and \$1,000,000. The total construction cost of Bid Package #3 described above is estimated between \$250,000 and \$500,000. The range is established per Federal Acquisition Regulation Subpart 36.2.

This project will be 100% Airport cash funded.

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

Schedule

Advertisement of Opportunity to Bid for Bid Package #2 and #3: 12/22/15 and 12/29/15

Pre-Bid Meeting: Date: 1/5/16 Time: 11:00 am Location: Board Room

Bid Opening: Date: 1/26/16 Time: 11:00 am Location: Board Room

Contract award anticipated February 19, 2016 and substantial completion expected November 30, 2016.

Supplier Diversity Participation

The Director of Supplier Diversity established the following participation goals: 20% cumulative participation comprised of MBE, WBE, and/or VBE for Bid Package #2 and 40% cumulative participation comprised of MBE, WBE, and/or VBE for Bid Package #3.

Recommendation

The IAA staff recommends the Board consider for approval Plans and Specifications for Garage Atrium Canopy Replacement & Addition of a Glass Enclosure Wall – Bid Package #2 and Bid Package #3 at Indianapolis International Airport, Project # I-15-010, as prepared by Walker Parking Consultants, Inc. and authorize the public bidding process.



BOARD MEMO – CHANGE ORDER

To: IAA Board of Directors

From: Shannetta Griffin, P.E., Sr. Director of Planning & Development

Date: December 8, 2015

Board Date: December 18, 2015

Subject: Approval of Change Order No. 3 (Final) with Thieneman Construction, Inc. for Stormwater and Deicing Control & Capacity - Phase 3, Project No. I-15-048

Background

The Indianapolis Airport Authority (IAA) conducted a Stormwater and Deicing System Assessment and Preliminary Engineering Study in 2011. This assessment identified options and alternatives for improvements to the existing stormwater and deicing system needed to accommodate current short-term and longer-term aviation needs and to meet current and future federal water quality requirements.

The Stormwater and Deicing Controls and Capacity project was divided into multiple phases. The Phase 1 and Phase 2 projects are complete, with the latter being accomplished by Thieneman Construction, Inc. Phase 2 was bid with an alternate which included the facilities necessary to meet environmental requirements for aircraft deicing at the Eagle Hub. The Phase 2 Alternate included a new lift station and force main to convey stormwater from the Eagle Hub to the EQ Basins. However, grant funding was not available to accept the alternate in 2013, so it was rebid as a stand-alone project – Phase 2B, in 2014.

Phase 2B of the project was approved for implementation by the Senior Management Team on February 24, 2014, with construction contingent upon receipt of grant funding. The project is included in the 2015 Capital budget for \$6,000,000.00. With the professional services to repackage the project for bidding and oversee construction, the overall project costs were anticipated to exceed \$6,000,000.00. Senior Staff approved increasing the overall budget for Phase 2B to \$6,500,000.00 on August 4, 2014, again contingent upon receipt of grant funding.

On July 1, 2014, the IAA staff received two bids. The project contained a base bid and one alternate bid item, with bids for both the base and alternate ranging from \$5,694,000.00 to \$7,985,894.00. Thieneman Construction, Inc. was the lowest responsive and responsible bidder in the amount of \$5,694,000.00.

To align with the revised grant funding the contract designation for Phase 2B was changed to Stormwater and Deicing Control & Capacity - Phase 3, Project No. I-15-048.

Change Order Summary

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

This change order addresses six items; three items are Owner requested scope and three are unforeseen conditions:

Owner Requested

Substitute conduit connectors in lieu of junction boxes	\$ (1,100.00)
Delete Pavement Marking on taxiway connectors	(5,000.00)
Delete Granular fill over 72" storm pipe	(32,000.00)

Unforeseen Conditions

Additional security hours due to longer project duration	186,232.50
Final & Balancing adjustment to concrete pavement	27,265.49
Modify Cable connections at Eagle Air Lift station	<u>5,384.59</u>
	\$180,782.58

Budget

Additional escorts were required to complete construction activities through the end of October 2015 due to changes made to the project that resulted in schedule extensions. A final accounting of escort hours needed during construction was made and the previously approved hours included in the contract was adjusted to match the final accounting.

During construction of the new lift station electrical panels and connectors, it was discovered that the cable connections between the lift station control panels and other components of the systems had to be modified to fit the actual field conditions.

Revised Construction Amount

Original Construction Contract Amount	\$ 5,694,000.00
Previous Change Orders (Nos. 1 and 2) (0.03% of contract)	1,909.21
Current Change Order No. 3 (3.17% of contract)	<u>180,782.58</u>
New Construction Contract Total	\$ 5,876,691.79

Project Costs

Design & Soft Costs	\$ 323,984.00
Construction Contract Amount	5,694,000.00
Previous Change Orders (9.35%)	1,909.21
Current Change Order No. 3 (1.93%)	<u>180,782.58</u>
Revised Total Anticipated Project Cost	\$ 6,200,676.00

The revised contract with the Change Order is within the reduced project budget in the approved 2015 Capital Budget.

Schedule

The contract term will be extended by Change Order No. 3 to October 30, 2015 to allow for a 58 day delay in project completion due to weather and late changes. This is the final and balancing change order

Supplier Diversity Participation

If approved by the Board, the supplier diversity participation on this project is reflected in the table below:

Firm	Classification	Original Amt. \$	Original Minority %	Amt.\$ After CO 1, 2, & 3	Minority % After CO 1, 2, & 3
The Crew Corporation	DBE/WBE	\$ 397,000.00	6.97%	\$ 404,369.74	6.88%
E-Z Trucking	DBE/MBE	534,000.00	9.38%	501,485.00	8.53%
Indiana Sign & Barricade	DBE/WBE	9,000.00	0.16%	9,000.00	0.15%
Frakes Engineering, Inc.	VBE	298,385.00	5.24%	298,385.00	5.08%
Team Cruiser	DBE/MBE	702,380.00	12.34%	709,030.00	12.07%
White Security	WBE	112,500.00	1.98%	370,338.00	6.30%
Fox Contractors Corp.	MBE	\$ 41,000.00	0.72%	\$ 41,000.00	0.70%
	Totals XBE	\$ 2,094,265.00	36.78%	\$ 2,333,607.74	39.71%
	DBE	\$ 1,642,380.00	28.84%	1,623,884.74	27.63%
	MBE	\$ 1,277,380.00	22.43%	1,251,515.00	21.30%
	WBE	\$ 518,500.00	9.11%	783,707.74	13.34%
	VBE	\$ 298,385.00	5.24%	298,385.00	5.08%

Recommendation

The IAA staff recommends the Board consider for approval Change Order No. 3 (Final & Balancing) with Thieneman Construction, Inc. for Stormwater and Deicing Control & Capacity - Phase 3 at Indianapolis International Airport, Project No. I-15-048, in an amount not-to-exceed \$180,782.58.

ATTACHMENT 1
Change Order Summaries
Stormwater and Deicing Controls and Capacity – Phase 3

Change Order 1 – (\$ 297.79)

Additional escort hours, deduction of plan quantity amount for concrete pavement replacement, additional costs for diversion structures #1 and #2, use of rigid conduit vs PVC and use of HDPE pipe in lieu of steel pipe – It was determined early in project that the estimated escort hours were underestimated and an interim adjustment in the contract hours was made in this change order. It was determined that an area of concrete replacement paving would not be needed due to a relocation in the 72” stormwater pipe location. A partial credit was taken to offset the escort hour adjustment. While excavating for diversion structures #1 and #2 in the 72” storm pipe run, an existing structure was discovered that conflicted with the new structures and required additional work. The specifications allowed for PVC pipe to be used for electrical cable in grass areas, but the Airport decided to use rigid steel conduit for additional safety measures. The original plans called for steel pipe casings under driveway connectors at the force main. This was changed to HDPE pipe after reviewing depths and locations of the casings in the field.

Change Order 2 - \$2,207.00

Extra escort hours were added, deduction of plan quantity amount for concrete pavement replacement, additional costs for diversion structures #3 and #4, modifications to diversion structure #3 due to above grade obstructions, modifications to lift station structure due to above grade obstructions – It was determined that the estimated escort hours were underestimated and an interim adjustment in the contract hours was made in this change order. It was determined that additional concrete replacement paving would not be needed due to a relocation in the 72” stormwater pipe location. While excavating for diversion structures #3 and #4 in the 72” storm pipe run, an existing structure was discovered that conflicted with the new structures and required additional work. Due to final location of the diversion structure #3, the actuator for the valve and associated above grade controls for the gate valves in the structure needed to be modified to reduce height in a safety zone. During final construction of the new lift station and associated electrical panels, the concrete pad and electrical panels had to be relocated to meet desired functions.

Subtotal of Change Orders No. 1 – 2 \$ 1,909.21

Change Order 3 – \$180,728.58 (Final)

The substitution of a standard conduit connector in lieu of a junction box was requested and approved based upon the conduit connector providing a more durable installation based upon the location of the connector inside the diversion structures.

The new pavement markings at the four taxiway connectors between taxiway “A” and Eagle Hub Apron were deleted due to the understanding that the pavement markings would be changed as part of the following rehabbing Runway 5L-23R and Taxiway “A” project and would be better coordinated as part of that contract work.

The 72” storm pipe was moved approximately nine feet further from the edge of the Eagle Hub Apron due to conflicts with existing conditions that were discovered during construction. With the excavation

for the storm pipe occurring further away from the Apron edge and therefore less exposure of potential impact to the Apron from possible future settlement, it was decided that native soil could be used for backfill in accordance with technical specification P-152 for the upper levels of the trench backfill.

Significant portions of the concrete pavement shown to be replaced as part of this contract was eliminated due to the relocation of the 72" storm pipe nine feet further from the edge of the Eagle Hub Apron. Due to more than a one-third of the concrete replacement bid quantity being deleted, a new unit price for the concrete slab replacement was negotiated. An adjustment to that line item value had been previously made in change orders #1 and #2 to reflect the estimated reduction in concrete replacement costs. A final & balancing study was performed and this resulted in a final concrete adjustment included within this change order.