



Agenda
Indianapolis Airport Authority
February 19, 2016
8:30 AM

I. **Call to Order**

II. **Approval of Minutes of the Pre-Board and Regular Meeting of January 15, 2016**

III. **Ordinances, Resolutions and Public Hearings**

Consider, for approval, **Resolution No. 1-2016**, concerning the execution of Amendment No. 2 with Schenker, Inc.

IV. **Board Reports**

a) President's Report

b) Sub-Committee Annual Reports

i. Finance & Audit Committee – *(Please refer to document)*

ii. Human Resources Committee – *(Please refer to document)*

iii. Reliever Airport Committee – *(Please refer to document)*

V. **Official Actions**

Consider, for approval, the individual items listed on the IAA General Agenda, dated February 19, 2016.

VI. **Staff Reports**

Executive Director Report

VII. **Other Reports/Update**

VIII. **Board Communications**

Next Meeting: Friday, March 18, 2016 @ 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 8:44 a.m., on January 15, 2016, in the Airport's Board Room at the Indianapolis International Airport.

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

Kelly Flynn, President
Alfred Bennett, Secretary
Brett Voorhies, Member
Mike Wells, Member
Dr. Philip C. Borst, Member
Steve Dillinger, Member
Jack T. Morton, Jr., Member
Lynn T. Gordon, Member
Barbara Glass, 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. Dillinger, seconded by Dr. Borst and unanimously passed, approval was given to the Minutes of both the Pre-Board and Regular Meetings of December 18, 2015.

BOARD REPORT

Newly-elected Board President Kelly Flynn recognized out-going President Mike Wells for his many years of outstanding leadership and service to the Indianapolis Airport Authority, noting, among other things, that Mr. Wells has served on the IAA Board, and in a leadership position, longer than any other person since the IAA was created in 1961. President Flynn extended the appreciation and gratitude of the entire organization to Mr. Wells for not only his dedication, but also his many contributions, to the IAA.

ELECTION OF BOARD OFFICERS AND APPOINTMENT OF BOARD LEGAL COUNSEL

It was noted that a vote in the Pre-Board Meeting had elected the following officers for 2016: (a) Mr. Kelly Flynn, as President; (b) Ms. Jean Wojtowicz, as Vice President; and (c) Mr. Alfred Bennett, as Secretary.

In addition, Mr. Gordon (Chair of the Board's Human Resources Committee) proposed that the following individuals be appointed to the following positions with the IAA: (a) Robert Thomson, as Treasurer; (b) Joseph Heerens, as Assistant Secretary; and (c) Rex Joseph, as Board Counsel. There was a motion, which was seconded and then unanimously passed, giving approval to the foregoing appointments described in this paragraph.

BOARD REPORTS

President's Report

President Flynn welcomed and acknowledged Ms. Barbara Glass as a new member to the IAA Board.

President Flynn recognized Mr. Medvescek and Father Glen O'Conner for assisting a refugee family that was relocating to Indianapolis. Mr. Medvescek and Father O'Conner greeted the family upon arrival at IND, welcomed them to Indianapolis, and ensured that they were able to make their way through our airport easily and without issue.

Lastly, President Flynn asked Mr. Medvescek to provide an update on recent and upcoming weather activities affecting the Indianapolis International Airport. Mr. Medvescek provided a brief report.

OFFICIAL ACTIONS

INTRODUCTION AND APPROVAL OF THE INDIANAPOLIS AIRPORT AUTHORITY'S GENERAL AGENDA, DATED January 15, 2016: President Flynn 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:

BP2016-01-1. ACTION #1. Upon a motion by Mr. Morton, seconded by Mr. Voorhies and unanimously passed, approval was given to BP2016-01-1, ACTION #1.

BP2016-01-1. ACTION #2. Upon a motion by Mr. Voorhies, seconded by Mr. Dillinger and unanimously passed, approval was given to BP2016-01-1, ACTION #2.

BP2016-01-1. ACTION #3. Upon a motion by Mr. Bennett, seconded by Mr. Voorhies and unanimously passed, approval was given to BP2016-01-1, ACTION #3.

BP2016-01-2. Upon a motion by Mr. Voorhies, seconded by Mr. Morton and unanimously passed, approval was given to BP2016-01-2.

BP2016-01-3. Upon a motion by Mr. Bennett, seconded by Dr. Borst and unanimously passed, approval was given to BP2016-01-3.

BP2016-01-4. Upon a motion by Mr. Morton, seconded by Dr. Borst and unanimously passed, approval was given to BP2016-01-4.

STAFF REPORTS

Executive Director's Report

Mr. Rodriguez introduced Mr. Thomson, who announced that the IAA recently received an award from the Government Finance Officers Association ("GFOA") for "Financial Reporting Excellence", which marks the 33rd consecutive year that IAA has received this award and shows the consistent excellence in financial reporting for our organization.

ADJOURNMENT

President Flynn announced that the next IAA Board meeting is scheduled for February 19, 2016. There being no further business, the meeting was adjourned at 8:58 a.m.

INDIANAPOLIS AIRPORT AUTHORITY *

By: _____
Kelly Flynn, President

By: _____
Alfred R. Bennett, Secretary

DATED: _____

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

DRAFT



BOARD MEMO – AMENDMENT TO LEASE

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: January 21, 2016

Board Date: February 19, 2016

Subject: Schenker, Inc., Second Amendment to Lease Agreement

Background

Schenker, Inc. is a third party air-freight forwarding tenant that has been based at the IMC since February 2006. Schenker has requested amending their current lease to allow their agreement to be extended three (3) additional years with two (2) optional periods of one (1) year each. This will allow Schenker to sync their IMC lease term length with their primary customer's service agreement term length. It is a routine business practice for cargo forwarders to "mirror" leased space term length with their customer contracts term length. The Schenker leasehold consists of 20,000 square feet including refrigeration and freezer components.

Scope

IAA Staff is requesting IAA Board adoption of Resolution No. 1-2016, authorizing the execution of the Second Amendment to the Schenker, Inc. Lease Agreement.

Schedule

February 19, 2016: Approval of Resolution No. 1-2016, authorizing the execution of the Second Amendment to Lease Agreement

Revenue and/or Operating Cost Implications

Revenue:

Annual rent commences at \$105,000 increasing 3% each year thereafter for a total term revenue (including option periods) of \$557,600.00.

Operating Costs:

No additional costs are incurred to support this Resolution or Amendment to Lease Agreement.

Supplier Diversity Participation

Not applicable.

Recommendation

The IAA Staff recommends the Board consider for approval Resolution No. 1-2016 concerning the execution of Amendment No. 2 with Schenker, Inc.

RESOLUTION NO. 1-2016

**RESOLUTION OF THE
INDIANAPOLIS AIRPORT AUTHORITY
APPROVING SCHENKER, INC. SECOND LEASE AMENDMENT**

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

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

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

WHEREAS, the Authority entered into a Lease Agreement with Schenker, Inc. on July 20, 2012, to support international air freight operations; and

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

1. The Authority hereby finds that the Authority has used reasonable efforts to relet the applicable portion of the IMC for rentals equal to the full rental due from United Air Lines for such space and with terms and provisions substantially similar to those contained in the lease with United Air Lines, but the Authority has found no tenant or tenants who are willing to lease the entire IMC, who are willing and able to pay the full rental paid by United and who are willing to pay the full operating cost of the IMC. Therefore, the Authority hereby finds that no United-like lease or leases can be executed.

2. The Authority has used its reasonable efforts to negotiate for the best available lease (for the portion of the IMC covered by the Lease, as amended) for generating projected total net rentals in light of then-prevailing market conditions and without materially reducing the expected total rentals over the term of the lease in return for commitments for job creation or other concessions.

3. The Authority has determined that proceeding with a Second Amendment to the Lease Agreement is a far superior option compared to continuing to fund operating expenses without a tenant in such space.

4. It is hereby found that the execution of a Second Amendment to the Lease Agreement, as presented to this meeting, complies with the essential and governmental purposes and provisions of the Act and would be in the best interests of the Authority, the holders of the Bonds and the community of Indianapolis and Marion County.

5. The Authority hereby authorizes and directs the President, Vice President and/or the Secretary or the Assistant Secretary of the Authority to execute all collateral documents required for execution of the Second Amendment on behalf of the Authority.

6. If any provision of this Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability thereof shall not affect any of the remaining provisions of this Resolution.

7. The Authority hereby authorizes the execution of a Second Amendment to facilitate the tenant requested term length extension of three (3) years and two (2) option term periods of one (1) year each.

8. If any provision of this Resolution shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability thereof shall not affect any of the remaining provisions of this Resolution.

9. This Resolution shall take effect immediately upon passage.

Remainder of page intentionally left blank.

Adopted this _____ day of _____, 2016.

INDIANAPOLIS AIRPORT AUTHORITY*

Kelly J. Flynn, President

Alfred R. Bennett, Secretary

*Signed under authority provided in IAA Board Resolution 6-2013.

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 No. 1-2016 adopted by the Indianapolis Airport Authority Board on the _____ day of _____, 2016.

Alfred R. Bennett, Secretary

INDIANAPOLIS AIRPORT AUTHORITY

**IAA Board Meeting
General Agenda
February 19, 2016**

General:

- BP2016-02-1** Consider for approval a Development Agreement with Holladay Properties for development services of parcels two thru six (the Property) and reimburse Holladay for pre-development phase costs not to exceed Two Hundred Thousand Dollars (\$200,000)
- BP2016-02-3** Consider for approval the Town of Danville’s annexation of IAA owned land associated with the Hendricks County Airport
- BP2016-02-4** Consider for approval the Town of Plainfield’s annexation of the nearly two thousand acres of conservation land that is currently owned by the IAA
- BP2016-02-5** Consider for approval the Agreement and Lease of Premises between the Indianapolis Airport Authority and Delta Air Lines, Inc.
- BP2016-02-6** Consider for approval the renewal and extension of the Premium Parking Services Agreement under the same terms and conditions for an additional two-year period through May 25, 2018, as permitted under the Agreement
- BP2016-02-7** Consider for approval a U.S. Government Real Property Agreement with the United States of America for a period of ten (10) years in the continuation of support to the National Weather Service
- BP2016-02-8** Consider for approval the Ascena Retail Group, Inc. Foreign Trade Zone Operator Agreement as approved by the Greater Indianapolis Foreign Trade Zone Board on January 26, 2016
- BP2016-02-9** Consider for approval the Nippon Seiko Kabushiki Kaisha Corporation (NSK) Foreign Trade Zone Operator Agreement as approved by the Greater Indianapolis Foreign Trade Zone Board on January 26, 2016
- BP2016-02-10** Consider for approval the reappointment of Andrew Reinke, to the GIFTZ Board of Directors, for a term of three (3) years

Capital Program:

- BP2016-02-11** ACTION #1 - Consider for approval a contract for construction services to the lowest responsive and responsible bidder for Garage Atrium Canopy Replacement & Addition of a Glass Enclosure Wall Bid Pkg. No. 2 – General Trades at the Indianapolis International Airport, Project # I-15-010 to JBM

Contractors in the amount not-to-exceed \$1,009,000.00 plus a 3% construction reserve of \$30,270.00 for a total of \$1,039,270.00. JBM Contractors was the lowest responsive and responsible bidder. Supplier diversity participation on this contract is MBE 26.84% (Harmon Steel, Inc.), WBE 6.31% (HES Painting) and VBE 0%

ACTION #2 - Consider for approval a contract for construction services to the lowest responsive and responsible bidder for Garage Atrium Canopy Replacement & Addition of a Glass Enclosure Wall Bid Pkg. No. 3 – Glass Enclosure Wall at the Indianapolis International Airport, Project # I-15-010 to Linel – A Division of Mestek, Inc. in the amount not-to-exceed \$1,375,354.00 plus a 3% construction reserve of \$41,260.62 for a total of \$1,416,614.62. Linel – A Division of Mestek, Inc. was the lowest responsive and responsible bidder. Supplier diversity participation on this contract is MBE 14.09% (Harmon Stell, Inc.), MBE 0% and VBE 0%

BP2016-02-12

Consider for approval an award of contract for Apron Stormwater Inlet Repairs, Phase III at Indianapolis International Airport, Project No. I-14-004, to Evans Development Company, Inc. in an amount not-to-exceed \$728,109.00 plus a 3% construction reserve of \$21,843.27 for a total of \$749,952.27. Evans Development Company, Inc. was the lowest responsive and responsible bidder. Supplier diversity participation on contract is MBE 3.32% (Harmon Steel), WBE 8.97% (Kopetsky Tri-Ax, Inc., MJ Schuetz Insurance, Protection Plus, Indiana Sign & Barricade), and VBE 0.00%

BP2016-02-13

Consider for approval Change Order No. 4 (Adjusted Final) 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 \$34,700.00. There is no additional Supplier Diversity participation for this final Change Order No. 4



BOARD MEMO – DEVELOPMENT AGREEMENT

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: January 28, 2016

Board Date: February 19, 2016

Subject: Development Agreement – Holladay Properties

Background

In April of 2015, the Indianapolis Airport Authority (IAA) issued an RFP for master land developers to develop approximately 550 acres of airport property referred to as parcels one through seven located on the NE corner of the airport. As part of our RFP issued last year, a selection committee comprised of several board members carefully evaluated all of the proposals that had been received for consideration. The selection committee recommended that IAA move forward and negotiate with two developers, including Holladay Properties (Holladay), whose proposal was to research, master plan, brand, market and develop approximately 415 acres of land identified as parcels two through six (the Property), included as (Attachment A).

The Development Agreement (Attachment B) represents the terms and timelines with which the IAA will work with Holladay to assess and validate the marketability of the Property.

Scope

This Development Agreement includes milestones that Holladay will be required to achieve that will in turn allow them the sole and exclusive right to:

- For a period of one year, investigate and study the feasibility of the redevelopment, leasing and sale of the Property.
- Create a plan for developing the Property that includes an overall vision with strategies to market and develop the Property to its highest and best use in a manner that is consistent with the overall community and economic impact that is compatible with the goals and objectives of the IAA master land developer RFP.
- To proceed with a Development Option for all or a portion of the Property upon completion of the pre-development phase, subject to approval by the IAA Board.

The Development Agreement states that IAA will reimburse Holladay for costs not to exceed Two Hundred Thousand Dollars (\$200,000) incurred during the pre-development phase. Pre-development phase costs include architectural, engineering, environmental, marketing and branding of the property. Either party has the ability to terminate this agreement with thirty

(30) days written notice. IAA also has the right to identify areas for direct development, outside of the Development Agreement, in certain situations.

Schedule

See attached timeline with milestones on Attachment C.

Term/Renewal Options/Adjustments

Term is one (1) year with a mutually agreed upon option to extend at the conclusion of the initial term.

Revenue

IAA will not receive revenue during the one year pre-development phase. Should Holladay proceed with a Development Option after the pre-development phase, revenue to the IAA will be determined at that time with each specific approved lease or sale.

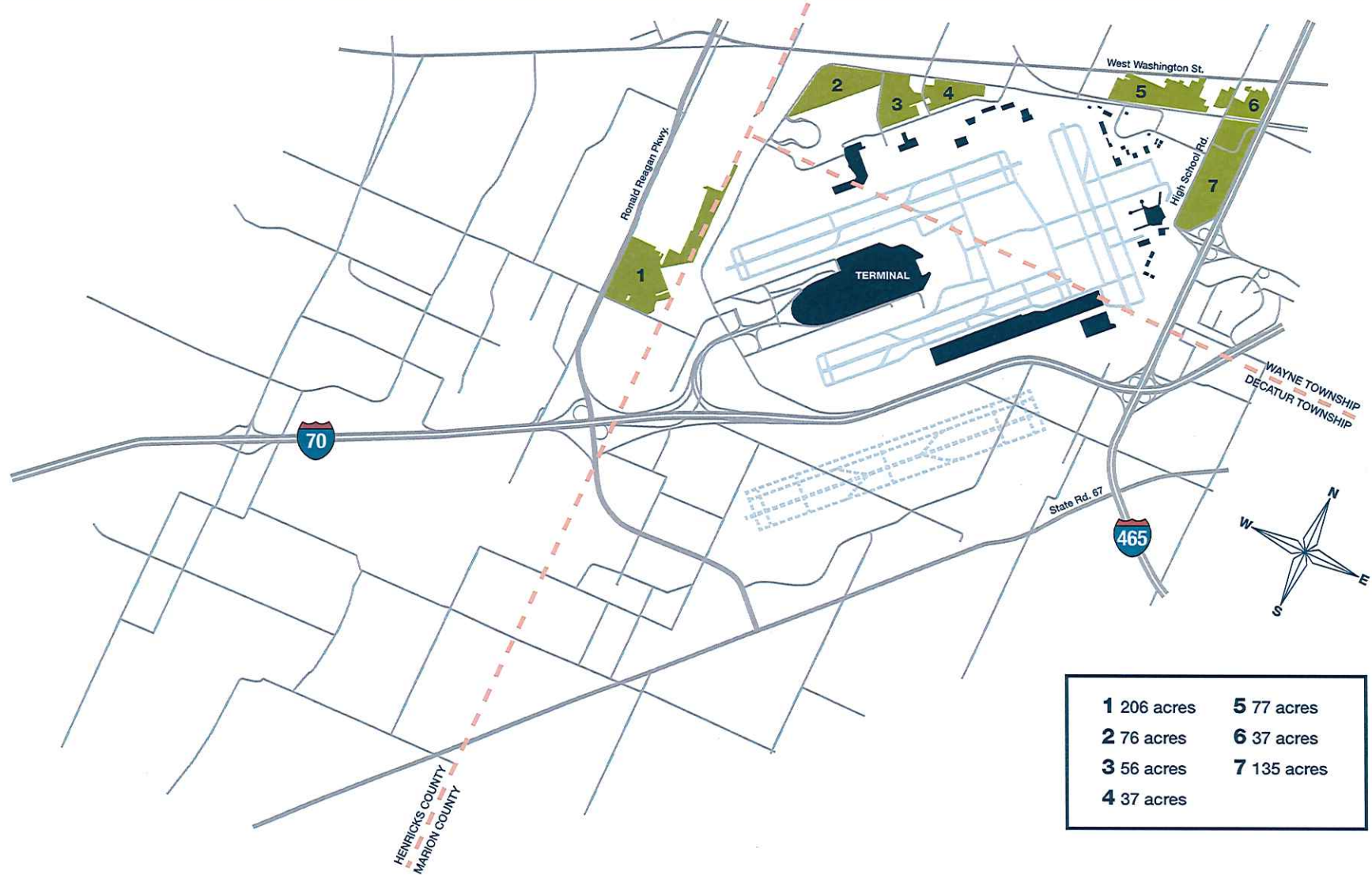
Supplier Diversity Participation

Not applicable.

Recommendation

The IAA Staff recommends that the Board consider for approval a Development Agreement with Holladay for development services of parcels two thru six (the Property) and reimburse Holladay for pre-development phase costs not to exceed Two Hundred Thousand Dollars (\$200,000).

624 ACRES AVAILABLE FOR NON-AVIATION DEVELOPMENT OPPORTUNITY



Indianapolis Airport Authority

DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT is made effective as of the ___ day of _____, 2016 (the "Effective Date") by and between the Indianapolis Airport Authority, a local airport authority created by the law of the State of Indiana (the "IAA") and Holladay Property Services Midwest, Inc., a Delaware corporation, d/b/a Holladay Properties ("Developer").

RECITALS

- A. The IAA issued a Request for Proposals for Master Land Development on April 20, 2015 (the "RFP") for services desired by the IAA in connection with the redevelopment, leasing, and sale of real property and improvements thereon described in the Master Developer Land Map, attached to the RFP as Exhibit B and incorporated herein by this reference.
- B. Developer submitted a response to the RFP and has been selected to provide Developer Services as more particularly described in this Agreement concerning the IAA real property and improvements described on Exhibit A, attached hereto and made a part hereof (the "Property").
- C. The IAA Board of Directors reviewed the submissions in response to the RFP and directed the IAA staff to enter into negotiations with Developer for the purpose of establishing the feasibility of the development of the Property and creating a development plan for the Property, subject to the approval of the IAA Board of Directors, as provided by the terms and conditions of this Agreement.

AGREEMENT

NOW, THEREFORE, for and in consideration of the above Recitals which are incorporated in the following agreement by this reference and for other good and valuable consideration, the receipt and sufficiency of which hereby is acknowledged, the parties agree as follows:

- 1. Grant of Exclusive Right to Developer. The IAA hereby grants to Developer the sole and exclusive right to:
 - a. investigate and study the feasibility of the redevelopment, leasing and sale of the Property ("Developer Services"); and
 - b. create a plan for developing the Property that includes an overall vision with strategies to market and develop the Property to its highest and best use in a manner resulting in maximum overall community impact that is compatible with the goals and objectives of the IAA for the Property (the "Development Plan"). Notwithstanding anything in this Agreement to the contrary, upon notice to Developer, the IAA may remove any Property, or any portions thereof, from the scope of this Agreement within its sole and absolute discretion.

2. Required Components for the Development Plan. The Development Plan shall include a comprehensive project narrative explaining the role and commitment of each entity identified in the Development Plan, and the details of improvements to be undertaken. The Development Plan shall also:

a. comply with (i) the policies and procedures of the IAA as well as current zoning ordinances and the Land Use Covenants and Restrictions attached to the RFP as Exhibit F and (ii) applicable federal, state and local laws, including without limitation rules, regulations, policies and procedures of the Federal Aviation Administration;

b. describe the proposed redevelopment, leasing, and sale of the Property, as well as proposed uses and land use restrictions necessary in connection therewith;

c. describe any anticipated infrastructure improvements required in connection with the Development Plan;

d. include detailed a sources and uses of funds analysis to support the Development Plan, including source(s) of equity, 10-year operating projections, and details concerning use of government incentives or public funds (such as TIF funds or tax credits);

e. include a timeline to execute the Development Plan;

f. include site plans, elevations and illustrations describing the components of the Development Plan as described in Exhibit G of the RFP;

g. include the results of Developer's due diligence including but not limited to environmental testing, surveys, zoning, restrictions and entitlements; and

h. describe the plan for advertising and marketing the Property.

3. Term. This Agreement shall be for a period of twelve (12) months commencing on the Effective Date (the "Term"). The Term may be extended by mutual written agreement of the IAA and Developer.

4. Developer Responsibilities and Cooperation. Developer shall promptly commence the Developer Services and shall diligently and in good faith provide the Developer Services throughout the Term. The IAA agrees to reasonably cooperate with Developer in assisting with the Developer Services and to provide to Developer with technical assistance and information that the IAA may have concerning the Property, including but not limited to surveys, land use studies, appraisals, studies and inspection reports for the Property in the possession of the IAA.

5. Expenses of Developer. Developer shall expend sufficient funds to acquire architectural, engineering and construction cost information concerning the proposed development and preparation of the Development Plan (the "Developer Expenses"). The Developer Expenses shall be reimbursed by the IAA up to a maximum amount of [\$200,000.00] during the Term upon the receipt of written documentation in form and substance reasonably satisfactory to the IAA and as may be required by applicable law. The IAA shall have no obligation to expend any funds in connection with the Developer Services except as specifically stated in this Section 5.

6. Contribution by IAA to Developer Staff Expense. The parties agree that the IAA shall contribute a total amount of \$50,000.00 during the Term toward Developer's cost associated with a new staff position that will be dedicated not less than fifty percent (50%) to working on the Development Plan (the "Contribution Fee"). The IAA will pay the Contribution Fee to Developer in equal monthly installments of \$4,166.66 commencing on the effective date of this agreement and on the first of every month thereafter during the Term.

7. Developer's Reporting Requirements; Confidentiality. Developer shall make written progress reports to the IAA's Director of Business Development on or before the last day of each month during the Term. The report shall be in form and substance reasonably satisfactory to the IAA and shall address the Developer milestones attached hereto as Exhibit B. The reports may be transmitted electronically. Except if required by law, Developer agrees not to disclose to any third party Developer's plans, studies, due diligence results, estimates or proposals, or other information furnished to the IAA in connection with this Agreement (the "Developer's Deliverables") without the IAA's prior written consent.

8. Ownership of Works.

a. Items prepared by Developer (or its permitted subcontractors or agents) under this Agreement, including, but not limited to, all Developer's Deliverables, reports, documents, drawings, designs, concepts, images, renderings, models, estimates, specifications, reports and other materials (the "Works") are and shall be the IAA's property.

b. Developer hereby represents to the IAA that it is the owner of and hereby assigns to the IAA all rights, title and interest, including all copyrights, copyright registrations, copyright applications, renewals, extensions, and all other proprietary or ownership rights, in all Works and things created by Developer, in whole or in part, or hereafter created by Developer, in connection with this Agreement, including, but not limited to, any and all works based upon, derived from, or incorporating any Works.

c. In the event of termination of Developer under this Agreement, or termination, suspension, abandonment or completion of the tasks outlined herein, then, in such event, Developer shall deliver to IAA within ten (10) days all Works created by Developer in connection with this Agreement. IAA, as holder of all rights, title and interest, including all copyrights, in and to all Works created by Developer, shall have the right to use, or reuse, any and all Works for any purpose at IAA's sole discretion and at no additional cost to IAA.

d. Developer agrees that its contracts with any subcontractors or consultants will contain language that will assign ownership of Works and things created by such subcontractors or consultants to IAA, on the same terms and conditions as set forth in this Section 8.

9. Development Rights. The IAA shall have no obligation to sell the development rights to the Developer if there exists a substantive disagreement in the terms of the sale or if the proposed development or the Development Plan is not satisfactory to the IAA as it may determine in its sole discretion.

10. Indemnification by Developer. Developer hereby agrees to indemnify, defend (by legal counsel reasonably acceptable to the IAA) and hold harmless the officers, directors,

employees, agents, contractors and representatives of the IAA (the "IAA Indemnified Parties"), from and against any and all claims, damages, actions or proceedings of any type asserted by third parties against the IAA Indemnified Parties, and all final judgments that the IAA Indemnified Parties suffer and reasonable costs and expenses incurred, including reasonable attorneys' fees and expenses, (i) as a result of the assertion of such claims due to any negligent act or omission whatsoever by, or the intentional misconduct of, Developer or its agents, employees, servants, contractors or subcontractors, successors, or assigns, in connection with the Development Services or the activities undertaken pursuant to this Agreement; (ii) claims, fines and penalties arising out of any failure of Developer or its agents, employees, servants, contractors or subcontractors, successors, or assigns, to comply with any applicable law; or (iii) as a result of a breach by Developer of any provision of this Agreement. Notwithstanding the foregoing, Developer shall not be required to indemnify, defend or hold harmless the IAA Indemnified Parties if the claims, damages, actions or proceedings are solely a result of the IAA's gross negligence or willful misconduct.

11. Termination. This Agreement may be terminated by the IAA without cause with thirty (30) days prior written notice to Developer specifying the termination date. Developer Expenses shall be reimbursed as provided in this Agreement through the termination date of this Agreement.

12. Assignment. Developer shall have no right to assign its rights under this Agreement without the prior written consent of the IAA, which may be withheld in IAA's sole discretion.

13. Default by Developer. Failure by Developer to observe and perform any material covenant, condition, obligation or agreement on its part to be observed or performed hereunder within thirty (30) days after written notice to Developer specifying such failure and requesting that it be remedied shall be an "Event of Default" under this Agreement. Upon an Event of Default, the IAA may terminate this Agreement immediately with written notice to Developer.

14. Time is of the Essence. Except for extensions of time mutually agreed to by the parties, the times for performance provided in this Agreement are essential as they relate to the obligations and expenditures of the parties. If a time is not specified, performance shall be required promptly and with due regard to the conditions of performance of other parties in reliance thereon.

15. Binding Effect. This Agreement shall inure to the benefit of, and shall be binding to, the extent applicable, upon, the IAA and Developer and their respective successors and assigns.

16. Amendments and Modifications. This Agreement, together with the agreements and documents referenced herein, supersede all prior negotiations and agreements and constitute the entire agreement between the parties. No change, amendment or modification to, or extension or waiver of any provisions of, or consent provided under, this Agreement shall be valid unless such change, amendment, modification, extension, consent or waiver is in writing and signed by all the parties to this Agreement, or, in the case of consent or waiver, by the party granting the same.

17. Notices. All notices, certificates, requests or other communications required hereunder shall be sufficient only if given in writing and shall be deemed given either when delivered personally, one (1) day after being deposited for next day delivery or three (3) days after

mailing when mailed by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

IAA: 7800 Colonel H. Weir Cook Memorial Drive
Indianapolis, Indiana 46241
Attn: _____

with a copy to: Taft Stettinius & Hollister LLP
One Indiana Square, Suite 3500
Indianapolis, Indiana 46204
Attn: Marci A. Reddick, Esq.

Developer: 227 S. Main Street, Suite 300
South Bend, Indiana 46601
Attn: _____

with a copy to: _____

Attn: _____

18. Severability. In case any section or provision of this Agreement, or in case any covenant, stipulation, obligation, agreement, act or action, or part thereof, made, assumed, entered into or taken under this Agreement, or any application thereof, is, for any reason, held to be illegal or invalid, or is at any time inoperable by reason of any law, or actions thereunder, such illegality or invalidity or inoperability shall not affect the remainder thereof or any covenant, stipulation, obligation, agreement, act or action, or part thereof, made, assumed, entered into or taken under this Agreement, which shall, at the time, be construed and enforced as if such illegal or invalid or inoperable portion were not contained therein.

19. Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Indiana.

20. Captions. The captions of the various sections herein contained are solely for the convenience of the various Parties hereto and shall not be construed to interpret or limit the content of any provision or section of this Agreement.

21. Taxes. IAA is exempt from state, federal and local taxes. IAA will not be responsible for any taxes levied on or in connection with Developer, its employees, agents, subcontractors or representatives as a result of this Agreement, including, but not limited to, any employment related taxes such as FICA.

22. Employment Eligibility Verification. As required by IC §22-5-1.7, the Developer swears or affirms under the penalties of perjury that the Developer does not knowingly employ an unauthorized alien. The Developer further agrees that:

a. Developer shall enroll in and verify the work eligibility status of all newly hired employees of Developer through the E-Verify program as defined in IC §22-5-1.7-3. Developer is not required to participate should the E-Verify program cease to exist. Additionally, Developer is not required to participate if Developer is self-employed and does not employ any employees.

b. Developer shall not knowingly employ or contract with an unauthorized

alien. Developer shall not retain an employee or contract with a person that Developer subsequently learns is an unauthorized alien.

c. Developer shall require its subcontractors, who perform work under this Agreement, to certify to Developer that the subcontractor does not knowingly employ or contract with an unauthorized alien and that the subcontractor has enrolled and is participating in the E-Verify program. Developer agrees to maintain this certification throughout the duration of the term of a contract with a subcontractor.

d. The IAA may terminate for default if Developer fails to cure a breach of this provision no later than thirty (30) days after being notified by the IAA.

22. Nondiscrimination and Other Assurances. Pursuant to IC § 22-9-1-10 and the Civil Rights Act of 1964, Developer, its agents and subcontractors, shall not discriminate against any employee or applicant for employment in the performance of this Agreement. Developer shall not discriminate with respect to the hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, sex, disability, national origin or ancestry. Breach of this covenant may be regarded as material breach of this Agreement. Acceptance of this Agreement also signifies compliance with applicable federal laws, rules, regulations, and executive orders prohibiting discrimination in the provision of services based on race, color, national origin, age, sex, disability, or status as a veteran.

23. Non-Collusion and Acceptance. The undersigned for and on behalf of Developer attests, subject to the penalties for perjury, that the undersigned is the properly authorized representative, agent, member or officer of Developer. Further, to the undersigned's knowledge, neither the undersigned nor any other member, employee, representative, agent or officer of Developer, directly or indirectly, has entered into or been offered any sum of money or other consideration for the execution of this Agreement other than that which appears upon the face hereof

24 Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[signature page follows]

IN WITNESS WHEREOF, the parties have caused this Development Agreement to be duly executed as of the Effective Date.

"IAA"

Indianapolis Airport Authority

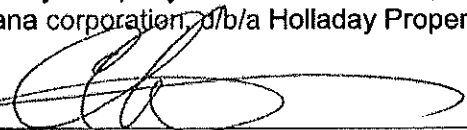
By: _____
Kelly J. Flynn, President

Attest: _____
Alfred Bennett, Secretary

Date: _____

"Developer"

Holladay Property Services Midwest, Inc., an
Indiana corporation, d/b/a Holladay Properties

By:  _____

Printed: CHRIS WILKES

Title: SR. VICE PRESIDENT

Date: FEBRUARY 2, 2016

Exhibit A
The Property

Exhibit B
Developer Milestones
[TBD]

IAA / Holladay Properties Engagement Timeline - DRAFT

		Silence			Quiet			Transition		Public			
Phase	Line Item	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
I	Draft Concept Plan V. 1	[1]											
I	Inventory Infrastructure	[2]											
I	Identify Acquisition Targets	[3]											
I	Negotiate Acquisition Contracts	[4]											
II	Market Testing / "Proof of Concept"	[5]	Concept Plan V. 1			Concept Plan V. 2			Final Development Plan				
II	Branding Discussions "Phase 1"	[6]	Concept Plan V. 1										
II	Draft Concept Plan V. 2	[7]											
II	Branding Discussions "Phase 2"	[8]			Concept Plan V. 2								
II	"Final Development Plan"	[9]											
II	Preliminary Land Valuation	[10]											
II	Draft Acquisition / JV Structure Presented	[11]											
III	MAI Engagement	[12]											
III	Negotiate Acquisition / JV Structure	[13]											
III	Due Diligence / Financing Assembly	[14]											
III	Close on Land / JV Structure	[15]											

|-----Likely Overlap in these Periods of Time-----|

Notes

- [1] Likely to begin with current concept plans, tweaked maybe
- [2] Toward MAI
- [3] Toward MAI
- [4] Toward MAI; reasonably include or not.
- [5] Conducted through market discussions, typical testing measures
- [6] To Brand or Not? If so, one project, or two...or three separate projects?
- [7] Take data/branding discussions, and revise to V.2...and then repeat
- [8] Similar...but different branding discussions
- [9] Integrate data from V.1 and V.2 draft plans to "Final Draft Plan".....and prepare for public roll-out
- [10] With "Final Draft" Plan, establish market values for the land sites, and combine that with infrastructure and other development costs to provide to MAI
- [11] HP Signal of Interest to move to next phases
- [12] If needed
- [13] Use "Final Draft Plan" and economics to transparently negotiate with
- [14] Typical and Customary Real Estate Due Diligence (perhaps less intensive when combined with Phase I and Phase II work)
- [15] Close out 2016; move to new phase in 2017



BOARD MEMO–REQUEST TO ANNEX LAND

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: February 2, 2016

Board Date: February 19, 2016

Subject: Request to Annex Land

Background

IAA Staff have been in communication with the Town of Danville, IN in regard to the annexation of IAA owned land associated with the Hendricks County Airport. The Town of Danville is seeking IAA support to a voluntary annexation of this land.

The Town of Danville views the airport and surrounding land as an economic development area and in support of this, has rezoned (along with Hendricks County) all adjacent land to the airport as AD – Airport Development. As well, Danville has already extended the water utility to the airport entrance and will extend the sewer utility in the near future. Having these utilities in place will benefit the airport in the coming years for future development.

With the IAA being the land owner of the airport, it is important to note that even though a voluntary annexation is being sought, the IAA as stated in part, in IN Code 8-22-3-11, continues to, “.....determine exclusively the uses to which the airport lands may be put, including land use planning and zoning. All uses must be necessary or desirable to the airport or the aviation industry and must be compatible with the uses of the surrounding lands as far as practicable. The jurisdiction granted under this subdivision is superior to that of any other local government unit or entity with respect to airport lands.” The IAA owned land is noted in the Attachment A to this Board Memo.

Scope

The process for annexation includes but is not limited to, the IAA Board execution of the Petition For and Consent to Annexation into the Town of Danville, Indiana. Within the Petition are the tax identification parcels encompassing this voluntary annexation.

Included in the Petition is the following language, “Petitioner respectfully advises the Town of Danville that, notwithstanding the Town of Danville’s zoning ordinance, Petitioner at all times following annexation of the Real Estate shall retain the exclusive land use and zoning power over the Real Estate pursuant to IC 8-22-3-11 (16) which exclusivity needs to be reflected in the annexation ordinance with respect to the Real Estate.

The Town of Danville will manage all public notices and advertisements. IAA Staff will be in attendance to the particular Town of Danville meeting regarding the annexation.

Schedule

February 19, 2016: IAA approval of the "Petition For and Consent to Annexation into the Town of Danville, Indiana".

Revenue and/or Operating Cost Implications

Revenue:

Not Applicable

Operating Costs:

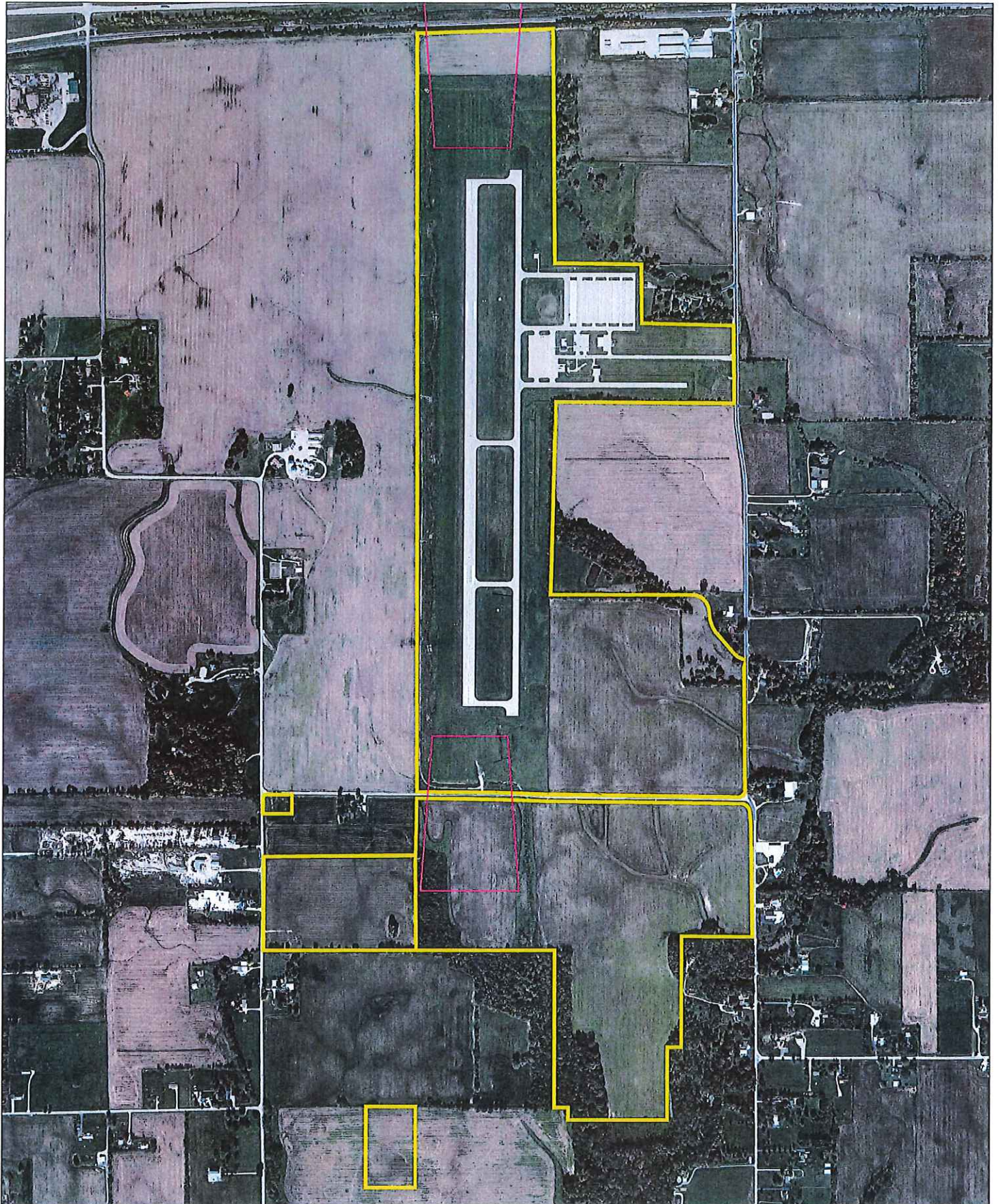
The Authority has no costs associated with the execution of the Petition nor the Annexation process.

Supplier Diversity Participation

Not applicable.

Recommendation

Recommend for approval the Town of Danville's annexation of IAA owned land associated with the Hendricks County Airport as identified on Attachment A.



GORDON GRAHAM AIRFIELD
PROPERTY BOUNDARY
4-2-15



PERGAD-Bayonne, N. J.

**PETITIONER'S
EXHIBIT**
A PART 3

NO SCALE



BOARD MEMO – ANNEXATION OF LAND

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: January 20, 2016

Board Date: February 19, 2016

Subject: Request to Annex Land

Background

In October 2015, the IAA Board approved a Memorandum of Understanding (MOU) with both the Hendricks County Parks Board and the Town of Plainfield to identify future use and potential purchase of nearly 2,000 acres of conservation land (Conservation Area) currently owned by the IAA, as outlined in Attachment A. In November, staff was approached by the Plainfield Town Manager requesting that IAA initiate annexation of the Conservation Area in order to more effectively master plan the land. Staff requested the two parties agree to the Town of Plainfield annexing the land with a master plan in mind that was fair and equitable to both entities. That MOU between the Hendricks County Parks Board and the Town of Plainfield is included as Attachment B.

Scope

- Identify the specific portion or portions of the Conservation Area and the adjacent excess land in which each of the parties is interested to identify their specific needs and desires to ensure there are no overlapping concerns and that the appropriate land use and zoning is identified for each portion.
- Develop a plan including the jurisdictional boundaries of the identified parcels under terms and conditions that are acceptable to IAA.
- IAA will, per state law, submit a letter in writing to the Town of Plainfield requesting them to annex the aforementioned property in the Conservation Area. See Attachment C.

Term/Renewal Options/Adjustments

N/A

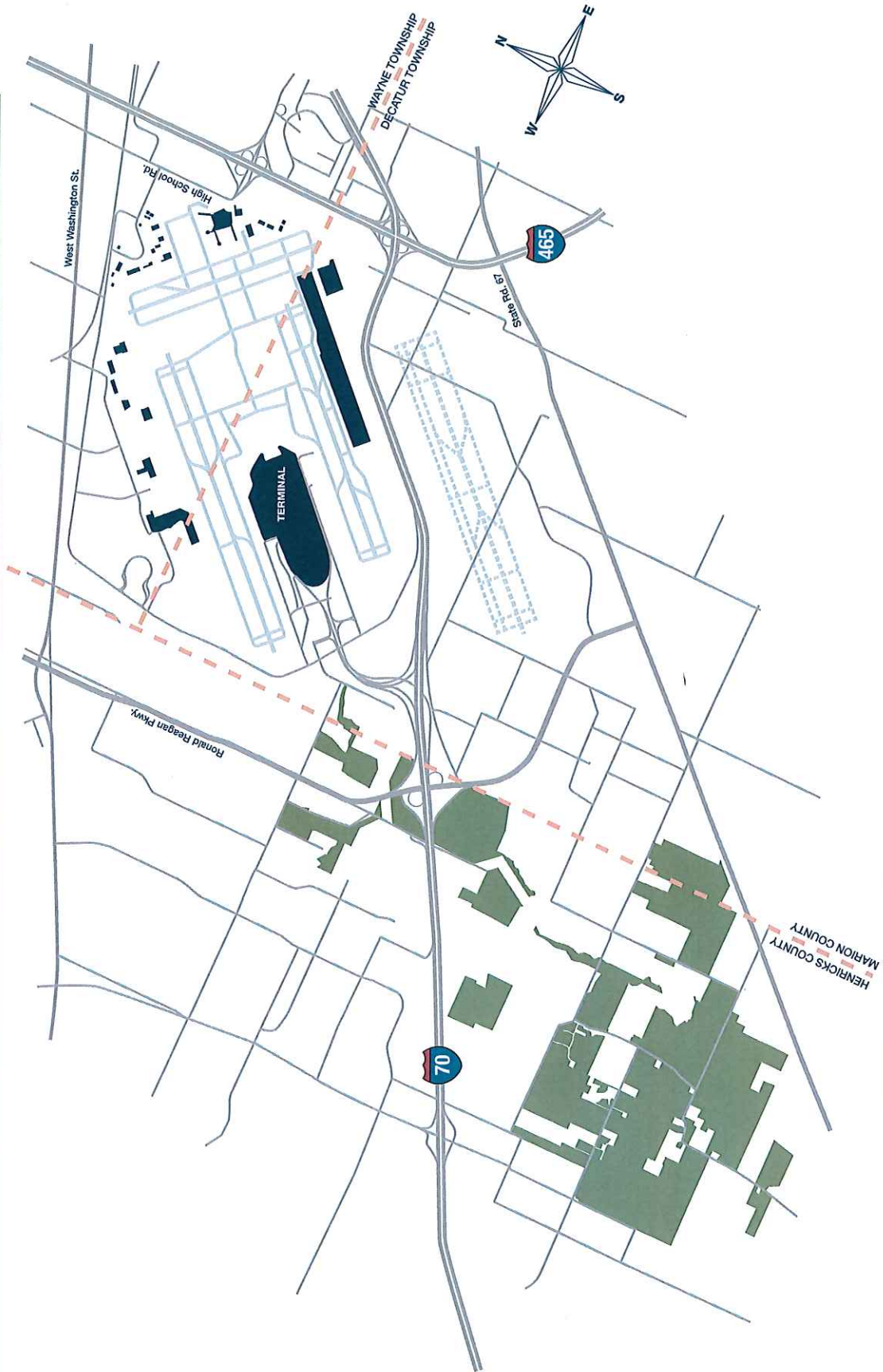
Supplier Diversity Participation

Not applicable.

Recommendation

The IAA Staff recommends that the Board consider for approval the Town of Plainfield's annexation of the nearly two thousand acres of conservation land that is currently owned by the IAA, as identified on Attachment A.

1,993 ACRES ALLOTTED FOR PERMANENT PROTECTED HABITAT



Indianapolis Airport Authority

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (“MOU”) is hereby entered into as of this 6th day of January, 2016 (the “Effective Date”), by and between the Town of Plainfield, Indiana (“Plainfield”) and the Hendricks County Parks and Recreation Board (“HCPB”) (HCPB and Plainfield are sometimes hereinafter referred to collectively as the “Parties”).

W I T N E S S E T H:

WHEREAS, Plainfield is a town located in Hendricks County, Indiana, which is directly west of, and contiguous to, the Airport; and

WHEREAS, HCPB is a department within Hendricks County, Indiana, and is designated as the department responsible for the provision of parks and recreation programs and activities, pursuant to IC § 36-10 et seq.; and

WHEREAS, the Indianapolis Airport Authority (“IAA”) is a municipal corporation duly authorized to conduct business in the State of Indiana, pursuant to IC § 8-22-3 et seq., and operates the Indianapolis International Airport located in Marion County, Indiana (the “Airport”); and

WHEREAS, IAA is authorized by law to own, lease, manage and sell real estate, and IAA currently owns over 9,000 acres of land in the counties of Marion and Hendricks, State of Indiana; and

WHEREAS, pursuant to IAA Resolution No. 12-2014, entitled “Land Use Initiative”, adopted November 21, 2014 (the “Land Program”), the IAA desires to sell or lease approximately 3,000 acres of excess land as more particularly shown on the land maps attached as “Exhibit 1” thereto (the “Excess Land”); and

WHEREAS, the portion of the Excess Land commonly known as the bat and wetland habitat, which is shown on the drawing attached hereto as “Exhibit A” and made a part hereof (the “Conservation Area”), is protected under certain laws, rules, regulations, permits and restrictions; and

WHEREAS, HCPB operates Sodalís Nature Park, a 210-acre property in the Conservation area with 3.5 miles of trails, a pavilion, and a 5.5 acre pond for fishing; and

WHEREAS, Plainfield recognizes that Sodalís Nature Park is a valuable asset to the town because of its attractiveness for residents, potential residents, and businesses; and

WHEREAS, the Parties have expressed an interest in acquiring a portion or portions of the Conservation Area and Excess Land adjacent thereto (the “Adjacent Excess Land”); and

WHEREAS, the Parties desire to enter into this MOU in order to formally engage in a cooperative process to develop a plan for the transfer of ownership of a portion or portions of said Adjacent Excess Land to either of the Parties and to ensure appropriate land use and zoning, all as more particularly described below.

NOW, THEREFORE, in consideration of the premises, the terms and conditions hereof, and other good and valuable consideration, the Parties express the following understanding:

ARTICLE 1 – OBJECTIVES & PURPOSES

The Parties hereby set forth and describe the primary objectives and purposes of this MOU to be as follows:

- (i) Identify the specific portion or portions of the Conservation Area and the Adjacent Excess Land in which each of the Parties is interested (hereinafter referred to as the “Identified Parcels”) to identify the needs and desires of the Parties to ensure there are no overlapping concerns and that appropriate land use and zoning is identified for each portion or portions;
- (ii) Develop a plan to obtain the Identified Parcels from the IAA under terms and conditions that are acceptable to IAA; and
- (iii) Ensure ongoing compliance with any and all laws, rules, regulations, permits and restrictions applicable to the Identified Parcels, including, but not limited to, those of the Federal Aviation Administration (“FAA”) and the United States Fish & Wildlife Service (“USFWS”).

ARTICLE II – TERM

This MOU shall commence on the Effective Date and will end on December 31, 2016. The Parties may elect to extend the term of this MOU for additional periods of one year each; however, any such extension shall be in writing and signed by both Parties. Either party may terminate this MOU at any time, for any reason, upon at least thirty (30) days prior written notice.

ARTICLE III – PLAN FOR LAND USE

From and after the Effective Date of this MOU, the Parties shall engage in regular meetings as needed to explore, discuss and agree upon: (i) the portion or portions of the Conservation Area and the Adjacent Excess Land that will constitute the Identified Parcels to be sought; and (ii) the development of a Master Plan for the area that satisfies the needs of both Parties with regards to land use and zoning; and (iii) to coordinate efforts with any purchasers who may be interested in developing the land so that the goals of the Parties are met. Any and all purchases of land must be in accordance with all applicable laws, rules, regulations, permits and restrictions.

ARTICLE IV – COMPLIANCE WITH LAWS

The Parties acknowledge and agree that it is of critical importance to ensure the ongoing compliance with all laws, rules, regulations, permits and restrictions applicable to the Identified Parcels, including, but not limited to, those of the FAA and USFWS. The Parties shall comply in all respects with the foregoing and will notify the other of any violation, or suspected violation, thereof occurring at any time during the term of this MOU.

ARTICLE V – NOTICES

Any and all notices given under this MOU shall be in writing and sent to the other party at its address set forth below. Notices may be sent via certified mail (return receipt requested) or by nationally-recognized overnight courier (e.g., Federal Express).

If to Plainfield: Town of Plainfield
206 West Main St
Plainfield, IN 46168
Attn: Town Manager
(Office): (317) 839-2561

If to HCPB: William Roche, C.P.R.P
Superintendent
Hendricks County Parks and Recreation
P.O. Box 463
Danville, Indiana 46122
(Office): 317-718-6188
(Fax): 317-718-6190

ARTICLE VI – MISCELLANEOUS

A. Amendment. This MOU, and any exhibits attached hereto, may be amended and/or modified only by the mutual written agreement of both Parties.

B. Governing Law. This MOU shall be governed by and construed under the laws of the State of Indiana, as well as any Federal laws, rules or regulations that may be applicable thereto.

C. Counterparts. This MOU may be executed in several counterparts, each of which shall be an original, and all of which shall constitute but one and the same MOU.

D. Mutual Assistance and Cooperation. The Parties hereto agree, subject to further proceedings required by law, to take such actions, including the execution and delivery of such

other documents, instruments, petitions and certifications, as may be reasonably necessary or appropriate, from time to time, to carry out the terms, provisions and intent of this MOU.

E. Press Releases. The Parties agree to work together in the preparation and issuance of any press releases or other public announcements about this MOU.

F. No Other Agreement. Except as otherwise expressly provided herein, this MOU shall supersede any and all prior agreements, negotiations, understandings and discussions relative to the subject matter hereof, and is a full integration of the agreement of both Parties.

IN WITNESS WHEREOF, Plainfield and HCPB have caused their respective duly authorized representatives to sign this MOU as of the Effective Date.

Town of Plainfield, Indiana

By: Robin G. Brandgard

Printed: ROBIN G. BRANDGARD

Title: COUNCIL PRESIDENT

Hendricks County Parks & Recreation Board

By: Cary T. Emsweller

Printed: Cary T. Emsweller

Title: President

January 20, 2016

Mr. Robin Brandgard
President
Plainfield Town Council
206 W. Main Street
Plainfield, Indiana 46168

Re: Conservation Area

Dear President Brandgard:

The Indianapolis Airport Authority (“IAA”) wishes to thank the Plainfield Town Council and the Hendricks County Parks Board for their collective work in completing the Memorandum of Understanding (“MOU”) with respect to the IAA Indiana Bat and Wetland Conservation Area (“Conservation Area”). The IAA applauds the efforts to formally engage in a cooperative process to develop a plan for the transfer of ownership and master planning of the Conservation Area and appreciates your support in our collective efforts to divest IAA ownership of the Conservation Area so that it may, subject to any and all U.S. Fish & Wildlife requirements and restrictions, be utilized for productive use to benefit the community.

Accordingly, the IAA desires for the Town of Plainfield, with the support of Hendricks County Parks Board, to annex the approximately 2,000 acres of land constituting the Conservation Area which is located south of I-70 within Hendricks County. In connection with this matter, the IAA advises that Indiana Code § 8-22-3-11(16) provides certain powers to the Board of the IAA that it must retain, including the following:

“To fix and determine exclusively the uses to which airport lands may be put, including land use planning and zoning. All uses must be necessary or desirable to the airport or the aviation industry and must be compatible with the uses of the surrounding lands as far as practicable. The jurisdiction granted under this subdivision is superior to that of any other local government unit or entity with respect to airport lands.”

The annexation of the Conservation Area into the Town of Plainfield provides mutual benefits to both parties. Provided that the following language is inserted into the adopting Ordinance with respect to the annexation of the Conservation Area, then the IAA formally requests that the above-referenced land be annexed into the Town of Plainfield at this time:

“The Indianapolis Airport Authority, pursuant to Indiana Code § 8-22-3-11(16), has the exclusive right and power to determine the uses to which its airport lands may be put, including land use planning and zoning. The land use and zoning jurisdiction of the Town of Plainfield is and shall be subordinate to the land use and zoning jurisdiction of the Indianapolis Airport Authority with respect to any airport lands during the time they are owned by the Indianapolis Airport Authority, including, without limitation, the airport land commonly referred to as the ‘Conservation Area’.”

Please acknowledge receipt of this letter and that the above-referenced language will be included within the adopting Ordinance for this annexation.

Thank you. We look forward to working with you on this important project moving forward.

INDIANAPOLIS AIRPORT AUTHORITY *

By: _____
Kelly Flynn, President

Attest: _____
Alfred Bennett, Secretary

* Signed under authority of IAA Resolution #6-2013

ATTACHMENT C

<u>IAA Parcel #</u>	<u>County Parcel #</u>
4-238	2000603
4-241	32-16-05-400-003.000-012
5-390	32-16-05-200-016.000-012
5-393	32-16-05-200-003.000-012
5-394	32-16-05-200-005.000-012
5-395	32-16-05-200-003.000-012
5-396	32-16-05-200-007.000-012
5-397	32-16-05-200-006.000-012
5-398	32-16-05-200-008.000-012
5-399	32-16-05-200-009.000-012
5-400	32-16-05-200-010.000-012
5-402	32-16-05-400-002.000-012
5-402A	32-16-05-400-003.000-012
5-403	32-09-32-300-015.000-012
5-403A	32-16-05-100-002.000-012
5-411	32-16-05-300-003.000-012
7-1039	32-16-07-480-004.000-011
7-1040	32-16-07-480-005.000-011
7-1041	32-16-07-480-006.000-011
7-1042	32-16-07-478-001.000-011
7-1043	32-16-07-478-002.000-011
7-1044	32-16-07-478-003.000-011
7-1045	32-16-07-478-004.000-011
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7-1048	32-16-07-480-002.000-011
7-1049	32-16-07-480-001.000-011
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7-1051	32-16-07-482-002.000-011
7-1052	32-16-07-482-003.000-011
7-1053	32-16-07-482-004.000-011
7-889	32-16-07-200-017.000-012
7-890	32-16-07-200-017.000-012
7-892	32-16-07-200.017.000.012
7-898	32-16-07-200-010.000.011
7-899	32-16-07-200-013.000-011
7-904	32-16-07-300-009.000-011
7-905	32-16-18-100-002.000-011
7-906	32-16-18-100-004.000-011
7-907	32-16-07-300-002.000-011
7-908	32-16-07-300-003.000-011
7-909	32-16-07-300-004.000-011
7-910	32-16-07-300-005.000-011
7-911	32-16-07-395-001.000-011
	32-16-07-395-002.000.011
	32-16-07-395-003.000.011

ATTACHMENT C

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	32-16-07-475-002.000.011
	32-16-07-300-006.000-011
	32-16-07-300-006.000-011
7-912	32-16-07-475-003.000-011
7-982	32-16-18-100-003.000-011
8-454	32-16-08-100-002.000.011
8-461A	32-16-08-300-006.000-011
8-462	32-16-08-300-006.000-011
12-1165	32-15-13-200-013.000-011
12-1166	32-15-13-200-014.000-011
12-1170	32-15-13-200-018.000-011
13-1225	32-15-13-200-028.000-011
13-1226	32-15-13-200-027.000-011
13-1228	32-15-13-200-030.000-011
13-1229	32-15-13-200-031.000-011
13-1230	32-15-13-400-004.000-011
13-1231	32-16-18-400-016.000-011
13-1232	32-15-13-400-003.000-011
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13-1234A	32-15-13-400-015.000-011
13-1234B	32-15-13-400-015.000-011
13-1234C	32-15-13-400-015.000-011
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13-1238	32-15-13-400-014.000-011
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13-1606	32-15-13-430-006.000-011
13-1607	32-15-13-430-007.000-011
13-1608	32-15-13-430-008.000-011
13-1609	32-15-13-430-009.000-011
13-1610	32-15-13-430-010.000-011
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ATTACHMENT C

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17-988	32-16-17-100-015.000-011
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18-1019	32-16-18-240-002.000-011
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18-1036	32-16-18-225-006.000-011
18-1037	32-16-18-222-003.000-011
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18-1062	32-16-18-190-003.000-011
18-1063	32-16-18-190-001.000-011
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18-1068	32-16-18-195-002.000-011

ATTACHMENT C

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18-1088	32-16-18-330-001.000-011
18-1089	32-16-18-330-003.000-011
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18-1091	32-16-18-320-008.000-011
18-1092	32-16-18-330-005.000-011
18-1093	32-16-18-330-008.000-011
18-1094	32-16-18-330-009.000-011
18-1095	32-16-18-330-010.000-011
18-1096	32-16-18-330-011.000-011
18-1097	32-16-18-330-012.000-011
18-1098	32-16-18-320-013.000-011
18-1099	32-16-18-320-014.000-011
18-1100	32-16-18-320-012.000-011
18-1101	32-16-18-320-011.000-011
18-1102	32-16-18-320-010.000-011
18-1103	32-16-18-320-009.000-011
18-1104	32-16-18-325-001.000-011
18-1105	32-16-18-325-002.000-011
18-1106	32-16-18-325-003.000-011
18-1107	32-16-18-325-004.000-011
18-1108	32-16-18-325-005.000-011
18-1109	32-16-18-325-006.000-011
18-1110	32-16-18-340-001.000-011
18-1111	32-16-18-340-002.000-011
18-1112	32-16-18-340-003.000-011
18-1113	32-16-18-340-004.000-011
18-1114	32-16-18-340-005.000-011
18-864	32-16-18-200-006.000-011
18-913	32-16-18-200-005.000-011
18-914	32-16-18-100-004.000-011
18-915	32-16-18-100-003.000-011
18-916	32-16-18-100-002.000-011
18-917	32-16-18-100-009.000-011

ATTACHMENT C

18-918	32-15-13-200-031.000-011
18-919	32-16-18-100-055.000-011
18-920	32-16-18-100-006.000-011
18-921	32-16-18-100-007.000-011
18-922	32-16-18-100-008.000-011
18-923	32-16-18-190-008.000-011
18-924	32-16-18-190-009.000-011
18-928	32-16-18-290-001.000-011
18-928A	32-16-18-200-008.000-011
18-929	32-16-18-400-019.000-011
18-929A	32-16-18-400-012.000-011
18-930	32-16-18-400-019.000-011
18-930A	32-16-18-400-019.000-011
18-930B	32-16-18-400-019.000-011
18-932	32-16-18-320-005.000-011
18-933	32-16-18-320-004.000-011
18-934	32-16-18-320-003.000-011
18-935	32-16-18-300-001.000-011
18-936	32-16-18-400-016.000-011
18-937	32-16-18-400-018.000-011
18-938	32-16-18-400-014.000-011
18-939	32-16-18-400-003.000-011
18-944	32-16-18-400-007.000-011
18-945	32-16-18-400-016.000-011
18-946	32-16-17-300-008.000-011
18-947	32-16-18-400-010.000-011
18-948	32-16-18-400-016.000-011
18-949	32-16-18-400-016.000-011
19-2894	32-16-19-200-019.000-011
19-2894A	32-16-19-200-018.000-011
	32-16-19-200-020.000-011
19-2895	32-16-19-200-019.000-011
19-2914	32-16-19-200-019.000-011
19-2918	32-16-19-300-002.000-011
19-2920	32-16-19-300-004.000-011
19-961	32-15-24-200-006.000-011
19-973	32-16-19-200-019.000-011
19-975	32-16-19-200-019.000-011
19-976	32-16-19-200-019.000-011
19-978	32-16-19-200-019.000-011
19-980	32-15-24-200-006.000-011
20-2830	32-16-20-100-005.000-011
20-2832	32-16-19-200-019.000-011
	32-16-19-200-019.000-011
24-1271	32-15-24-200-006.000-011
24-1273	32-15-24-200-006.000-011

ATTACHMENT C

32-332	32-09-32-435-003.000-012
32-333	32-09-32-435-002.000-012
32-334	32-09-32-435-001.000-012
32-335	32-09-32-430-003.000-012
32-336	32-09-32-430-002.000-012
32-337	32-09-32-430-001.000-012
32-338	32-09-32-435-004.000-012
32-339	32-09-32-435-005.000-012
32-340	32-09-32-435-006.000-012
32-341	32-09-32-435-007.000-012
32-342	32-09-32-435-008.000-012
32-343	32-09-32-435-009.000-012
32-344	32-09-32-435-010.000-012
32-345	32-09-32-430-004.000-012
32-346	32-09-32-430-005.000-012
32-347	32-09-32-430-006.000-012
32-348	32-09-32-430-007.000-012
32-349	32-09-32-430-008.000-012
32-350	32-09-32-430-009.000-012
32-351	32-09-32-430-010.000-012
32-352	32-09-32-430-011.000-012
32-353	32-09-32-435-011.000-012
	32-09-32-430-012.000-012
32-356	32-09-32-400-006.000-012
32-357A	32-09-32-400-006.000-012
32-375	32-09-32-300-015.000-012
32-377	32-09-32-300-006.000-012
32-378	32-009-32-300-008.000-012
32-379	32-09-32-300-005.000-012
32-384	32-09-32-300-013.000-012
32-385	32-09-32-300-014.000-012
32-387	32-09-32-300-011.000-012
32-388	32-09-32-300-012.000-012



BOARD MEMO - AIRLINE USE AGREEMENT

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: January 28, 2016

Board Date: February 19, 2016

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 expired 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 began charging January 1, 2016.

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

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

Recommendation

Consider for approval the Agreement and Lease of Premises between the Indianapolis Airport Authority and Delta Air Lines, Inc.



BOARD MEMO – PREMIUM PARKING SERVICES AGREEMENT

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: February 1, 2016

Board Date: February 19, 2016

Subject: Premium Parking Services Agreement with Global Parking System of Indiana, Inc.

Background

In 2013, the Indianapolis Airport Authority (“IAA”) issued a “Request for Proposals” for valet parking and related services in the terminal garage. In response, several companies submitted proposals for the valet business. This competitive procurement process resulted in the IAA’s internal evaluation committee selecting an entity called Global Parking System of Indiana, Inc. (“Global Parking”), for the award of the contract.

On April 19, 2013, the Board approved a Premium Parking Service Agreement (“Agreement”) with Global Parking, which has an initial three-year term starting on May 26, 2013 and ending on May 25, 2016. Under the terms of this Agreement, the IAA has one (1) option, which must be exercised by February 25, 2016, to renew the Agreement for an additional term of two (2) years under the same terms and conditions. If approved, the renewal option will extend the expiration date of the Agreement to May 25, 2018.

This valet parking arrangement has generated significant revenue growth for the benefit of both parties during the first three years. Total revenue has grown from \$1.75 million in 2013 up to \$4.7 million in 2015. IAA’s share of the revenues (82%) has grown from \$1.4 million in 2013 up to \$3.85 million in 2015, while Global Parking’s share (18%) has grown from \$313,000 up to \$846,000, plus tips.

Supplier Diversity Participation

The supplier diversity participation is unchanged. Global Parking is a 100% MBE as well as a certified Airport Concession Disadvantaged Business Enterprise (“ACDBE”).

Recommendation

The IAA Staff recommends that the Board approve the renewal and extension of the Premium Parking Services Agreement under the same terms and conditions for an additional two-year period through May 25, 2018, as permitted under the Agreement.



BOARD MEMO – REAL PROPERTY LEASE

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: January 29, 2016

Board Date: February 19, 2016

Subject: U.S. Government Real Property Lease for the National Weather Service

Background

In 1989/1990, the U.S. Government constructed Building #310, located on IAA property (south of Interstate 70) at 6900 West Hanna Avenue, for the National Weather Service (NWS) in the continued support of local weather forecasting. Prior to this facility, the previous location of the NWS was on the 4th floor of the administration building at the former passenger terminal.

The current building is 5,975 square feet and resides on 3.39 acres of land. The rental rate established for this lease is in compliance with the Airport and Airways Act of 1982. The facility is essential U.S. Government property and therefore, no land or building rent is charged for this facility.

Scope

A new Lease is being proposed to replace the existing lease which was executed on February 1, 1989. Additional language added to this new Lease includes relocation language based on IAA aviation needs or future land development.

Schedule

February 19, 2016: IAA approval of U.S. Government Real Property Lease Agreement.

Revenue and/or Operating Cost Implications

Revenue:

Revenue impact is \$1.00/year for a ten (10) year term.

Operating Costs:

The Authority has no costs associated with the execution of the Lease.

Supplier Diversity Participation

Not applicable.

Recommendation

Recommend for approval a U.S. Government Real Property Agreement with the United States of America for a period of ten (10) years in the continuation of support to the National Weather Service.



BOARD MEMO—FOREIGN TRADE ZONE OPERATOR AGREEMENT

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: January 29, 2016

Board Date: February 19, 2016

Subject: Ascena Retail Group, Inc. (Ascena) / Foreign Trade Zone Operator Agreement

Background

The Indianapolis Airport Authority (IAA) is the Foreign Trade Zone (FTZ) “Grantee” representing central Indiana communities. In 1980, IAA created a separate company, the Greater Indianapolis Foreign Trade Zone, Inc. (GIFTZ), a not-for-profit 501C (6), to administer the FTZ program.

Ascena is a distributor of apparel and accessory merchandise imported from around the world. Items will be stored, repackaged, kitted, tested, and shipped both domestically and internationally from this site.

The location that will be issued FTZ status is 1,382,149 sq. ft. of warehouse space and associated grounds located at: 1901 IN-240, Greencastle, IN.

A total of 364 full-time and 117 seasonal employees currently will be used in part to support the FTZ operation. With this designation, Ascena estimates it will facilitate an employee base growth of 10-15% over the next three years.

The GIFTZ Board concurred with Ascena’s request for FTZ designation at the January 26, 2016 GIFTZ Board Meeting.

Scope

The GIFTZ Board supports the IAA Board’s execution of the FTZ Operator Agreement.

Schedule

February 19, 2016: Execution of the FTZ Operator Agreement.

Revenue and/or Operating Cost Implications

Revenue:

Anticipated revenue impact is \$48,000/annum. FTZ activation is anticipated in the 4th Quarter of 2016.

Operating Costs:

The GIFTZ has no additional costs associated with the application and designation process.

Supplier Diversity Participation

Not applicable.

Recommendation

Recommend for approval the Ascena Retail Group, Inc. Foreign Trade Zone Operator Agreement as approved by the Greater Indianapolis Foreign Trade Zone Board on January 26, 2016.



BOARD MEMO – FOREIGN TRADE ZONE OPERATOR AGREEMENT

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: January 29, 2016

Board Date: February 19, 2016

Subject: Nippon Seiko Kabushiki Kaisha Corporation (NSK) Foreign Trade Zone Operator Agreement

Background

The Indianapolis Airport Authority (IAA) is the Foreign Trade Zone (FTZ) “Grantee” representing central Indiana communities. In 1980, IAA created a separate company, the Greater Indianapolis Foreign Trade Zone, Inc. (GIFTZ), a not-for-profit 501C (6), to administer the FTZ program.

NSK is a manufacturer of a wide range of industrial bearings, linear motion products, automotive bearings, and modules for steering systems.

The location that will be issued FTZ status is 135,392 sq. ft. of warehouse space located at: 1581 Perry Road, Suite A, Plainfield, IN.

A total of five new positions will be created to support FTZ operations. This designation will allow NSK to consolidate their inventories destined for the United States, Mexico, and Canada.

The GIFTZ Board concurred with NSK’s request for FTZ designation at the January 26, 2016 GIFTZ Board Meeting.

Scope

The GIFTZ Board supports the IAA Board’s execution of the FTZ Operator Agreement.

Schedule

February 19, 2016: Execution of the FTZ Operator Agreement.

Revenue and/or Operating Cost Implications

Revenue:

Anticipated revenue impact is \$24,000/annum. FTZ activation is anticipated in the 4th Quarter of 2016.

Operating Costs:

The GIFTZ has no additional costs associated with the application and designation process.

Supplier Diversity Participation

Not applicable.

Recommendation

Recommend for approval the Nippon Seiko Kabushiki Kaisha Corporation (NSK) Foreign Trade Zone Operator Agreement as approved by the Greater Indianapolis Foreign Trade Zone Board on January 26, 2016.



BOARD MEMO – GIFTZ BOARD MEMBER

To: IAA Board of Directors
From: Alfred R. Bennett, GIFTZ Chairman
Date: January 29, 2016
Board Date: February 19, 2016
Subject: GIFTZ Board Member

Background

The Indianapolis Airport Authority (IAA) operates as the Foreign Trade Zone (FTZ) “grantee” representing central Indiana communities. In 1980, the IAA created a separate company, the Greater Indianapolis Foreign Trade Zone, Inc. (GIFTZ), a not-for-profit 501C (6), to administer the FTZ program. Members seated on the GIFTZ Board are either appointed or elected by the IAA Board of Directors.

The GIFTZ By-laws allow 5-15 members to be seated on the GIFTZ Board. Currently the GIFTZ has eight (8) members, including the Operating Director and one IAA Board Member position who are appointed to the GIFTZ Board and have no assigned term. All other GIFTZ Board Members are elected by the IAA Board and serve a three (3) year term.

The GIFTZ Board is comprised of individuals from various industry backgrounds that volunteer their time and expertise including supporting the marketing and business networking efforts outreach to businesses located in the 41 central Indiana counties served by the local FTZ program. GIFTZ Board Members actively promote the use of the FTZ program; which in turn assists Indiana companies to expand, grow and retain jobs, and promote a balanced approach to global trade.

Scope

It is recommended the IAA consider for approval the reappointment of the following individual to the GIFTZ Board of Directors:

- Mr. Andrew Reinke, President, Foreign Targets, Inc.

Schedule

February 19, 2016: IAA reappointment of one (1) GIFTZ Board Member.

Revenue and/or Operating Cost Implications

Revenue:

Not applicable.

Operating Costs:

Not applicable.

Supplier Diversity Participation

Not applicable.

Recommendation

The GIFTZ Chairman recommends the IAA Board consider for approval the reappointment of Andrew Reinke, to the GIFTZ Board of Directors, for a term of three (3) years.



BOARD MEMO – AWARD OF CONTRACT

To: IAA Board of Directors

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

Date: February 9, 2016

Board Date: February 19, 2016

Subject: Award of Contracts for Garage Atrium Canopy Replacement & Addition of a Glass Enclosure Wall at Indianapolis International Airport, Project # I-15-010 for – Bid Package No. 2 General Trades – to JBM Contractors Corp. and - Bid Package No. 3 Glass Enclosure Wall – to Linel-A Division of Mestek, Inc.

Background

The IAA has undertaken a project to rehabilitate the parking garage atrium canopy and add a glass enclosure wall at the edge of the atrium opening on the 5th level of the garage to reduce water infiltration on the lower floors of the atrium. These projects will include the construction of the new glass enclosure wall, associated changes to the railing and walkway at the new wall and temporary barriers and signage needed for the construction activities.

On November 20, 2015, The Board approved plans and specifications for Garage Atrium Canopy Replacement & Addition of a Glass Enclosure Wall – Bid Pkg. No. 1 at the Indianapolis International Airport, Project # I-15-010, and authorized the public bidding process. The contract for construction services for Bid Pkg. No. 1 was awarded via Delegation of Authority.

On December 18, 2015, the Board approved plans and specifications for Garage Atrium Canopy Replacement & Addition of a Glass Enclosure Wall – Bid Packages No. 2 and No. 3 at the Indianapolis International Airport, Project # I-15-010, and authorized public bidding process. Bid Package No.2 includes a general trade’s package that would cover the work impacted by both packages such as safety barricades, concrete work, signage, general cleaning and general painting. Bid Package No.3 includes the construction of the new glass enclosure wall around the atrium at the 5th level.

On January 26, 2016, the IAA staff received five bids for Bid Package No.2 – General Trades – which contained a Base Bid and a one Alternate Bid. To align the work with the project goals, this contract consists of the Base Bid and Bid Alternate No. 1. The bids for the Base Bid and Bid Alternate No.1 ranged from \$1,009,000 to \$1,823,000.

JBM Contractors was the lowest responsive and responsible bidder in the amount of \$929,000.00 for the base bid and \$80,000.00 for the Bid Alternate No. 1.

Also on January 26, 2016, the IAA staff received one bid for Bid Package No.3 – Glass Enclosure Wall which contained a base bid only.

Linell – A Division of Mestek, Inc. was the lowest responsive and responsible bidder in the amount of \$1,375,354.00 for the base bid.

In addition to the respective contract amounts, IAA is 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 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 construction reserve. Any change orders exceeding the contract and construction reserve will be submitted to the Board for approval.

Scope

The scope of Bid Package No. 2 - General Trades - includes the removal of the existing handrail around the atrium opening at the 5th level, storage of the handrail and re-installation of the handrail when supporting work is complete, demolition of the existing concrete curb at the atrium opening edge, construction of a new concrete barrier wall which will support and be part of the new glass enclosure wall, and the furnishing of temporary safety barriers and signage required for the construction project. The scope of Alternate No.1 includes providing soffit material under the new maintenance walkway being constructed adjacent to the new enclosure wall.

The scope of the base bid for Bid Package No. 3 - Glass Enclosure Wall - includes the furnishing and installation of a new glass wall atop the new concrete barrier wall being constructed as part of Bid Package No. 2 resulting in a 16 foot high enclosure wall at the atrium opening slab edge.

Budget

Total anticipated project cost for Bid Packages No. 1, 2 and 3 – Garage Atrium Canopy Replacement and Addition of a Glass Enclosure Wall:

Garage Atrium Canopy Replacement and Addition of Glass Wall

Contract Amount for Bid Package No. 1 (includes 3% reserve and Alternates No. 1 & No. 2)	\$5,815,110.00
Contract Amount for Bid Package No. 2 (includes 3% reserve and Alternate No. 1)	\$1,036,870.00
Contract Amount for Bid Package No. 3 (includes 3% reserve)	1,416,614.62
Design	305,250.00
Professional Services	729,010.00
<u>Construction Contingency (5% of base bids)</u>	<u>382,050.00</u>
Anticipated Project Cost	\$9,684,904.62

Due to the complexity of this project and the importance of minimizing any construction impact to the operation of the parking garage, we have shown an additional contingency of 5% against the base bid amounts of the three bid packages in the budget.

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

Substantial completion is expected to be November, 2016.

Supplier Diversity Participation

The Director of Supplier Diversity has established goals for bid packages No. 2 and No. 3 that represent potential utilization percentages consistent with contractor availability for the types of work included within the two packages.

The Supplier Diversity Goal for the Bid Package No.2 w/Alternate No. 1 – General Trades - is 40% combined MBE/WBE/VBE participation.

FIRM	AMOUNT			%		
	MBE	WBE	VBE	MBE	WBE	VBE
Harmon Steel, Inc.	\$270,800.00	\$ -	\$ -	26.84%	0.00%	0.00%
HES Painting	\$ -	\$ 63,700.00	\$ -	0.00%	6.31%	0.00%
		\$ -	\$ -		0.00%	0.00%
Totals	\$ 270,800.00	\$ 63,700.00	\$ -	26.84%	6.31%	0.00%

The Supplier Diversity Goal for Bid Package No.3 – Glass Enclosure Wall - is 20% combined MBE/WBE/VBE participation.

FIRM	AMOUNT			%		
	MBE	WBE	VBE	MBE	WBE	VBE
Harmon Steel, Inc.	\$193,800.00	\$ -	\$ -	14.09%	0.00%	0.00%
	\$ -		\$ -	0.00%		0.00%
		\$ -	\$ -		0.00%	0.00%
Totals	\$ 193,800.00	\$ -	\$ -	14.09%	0.00%	0.00%

Recommendation

ACTION #1 - The IAA staff recommends that the Board consider for approval a contract for construction services to the lowest responsive and responsible bidder for Garage Atrium Canopy Replacement & Addition of a Glass Enclosure Wall Bid Pkg. No. 2 – General Trades at the Indianapolis International Airport, Project # I-15-010 to JBM Contractors in the amount not-to-exceed \$1,009,000.00 plus a 3% construction reserve of \$30,270.00 for a total of \$1,039,270.00. JBM Contractors was the lowest responsive and responsible bidder. Supplier diversity participation on this contract is MBE 26.84% (Harmon Steel, Inc.), WBE 6.31% (HES Painting) and VBE 0%.

ACTION #2 - The IAA staff recommends that the Board consider for approval a contract for construction services to the lowest responsive and responsible bidder for Garage Atrium Canopy Replacement & Addition of a Glass Enclosure Wall Bid Pkg. No. 3 – Glass Enclosure Wall at the Indianapolis International Airport, Project # I-15-010 to Linel – A Division of Mestek, Inc. in the amount not-to-exceed \$1,375,354.00 plus a 3% construction reserve of \$41,260.62 for a total of \$1,416,614.62. Linel – A Division of Mestek, Inc. was the lowest responsive and responsible bidder. Supplier diversity participation on this contract is MBE 14.09% (Harmon Stell, Inc.), MBE 0% and VBE 0%.



BOARD MEMO – CONTRACT AWARD

To: IAA Board of Directors

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

Date: February 9, 2016

Board Date: February 19, 2016

Subject: Award of Construction Contract for Apron Stormwater Inlet Repairs, Phase III at Indianapolis International Airport, Project No. I-14-004 to Evans Development Company, Inc.

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 was performed and identified numerous 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 involved full replacement of the drainage inlet surrounding the concrete slab and the grate.

In 2015, Apron Stormwater Inlet Repairs, Phase II repaired 7 inlets. The Phase II repairs involved cast iron plates to improve the load transfer from the 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 inlet grate to the surrounding concrete, not completed in Phase II. There are also eight full concrete panel repairs similar to Phase I.

On December 18, 2015, the Board approved plans and specifications for Apron Stormwater Inlet Repairs, Phase III at Indianapolis International Airport, Project No. I-14-004, and authorized a public bidding process.

On January 27, 2016 the IAA staff received 4 bids. The project contained a base bid and one (1) alternate bid. To align the work with the available funding this contract consists of the base and bid alternate 1. The bids for the base bid and alternate 1 ranged from \$728,109.00 to \$2,303,629.00.

Evans Development Company, Inc. was the lowest responsive and responsible bidder in the amount of \$617,229.00 for the base bid and \$110,880.00 for alternate 1 for a total of \$728,109.00.

In addition to the contract amount, IAA is requesting a construction reserve of 3% of the total contract amount for this phase of the project. A construction 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 the project budget to accommodate the funding of the 3% contingency for construction reserve. Any change orders exceeding the contract and construction reserve will be submitted to the Board for approval.

Scope

The scope of work includes full concrete panel and inlet grate structure replacement as needed, installation of cast iron grate supports, and joint sealing for concrete pavements housing stormwater inlets on the Terminal Apron at IND.

Budget

The Evans Development Inc. contract is \$728,109.00, which is within the approved 2016 Capital Budget for Apron Stormwater Inlet Repairs, Phase III.

<u>Apron Stormwater Inlet Repairs, Phase I</u>	
Phase I Total	\$ 586,683.42
<u>Apron Stormwater Inlet Repairs, Phase II</u>	
Phase II Total	\$ 168,966.91
<u>Apron Stormwater Inlet Repairs, Phase III</u>	
Contract Amount (including 3% reserve)	\$ 749,952.27
Design	19,457.76
Advertisements for Bid	250.00
Materials Testing	19,776.00
Total Anticipated Phase III Cost	\$ 789,436.03
Total Anticipated Project Cost	\$ 1,545,086.36

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

Contract award anticipated February 19, 2016 and the substantial completion date is expected to be October 2016.

Supplier Diversity Participation

The Director of Supplier Diversity has approved the following:

Harmon Steel	24,200.00	0.00	0.00	3.32%	0.00%	0.00%
M.J. Schuetz Insurance Service	0.00	10,500.00	0.00	0.00%	1.44%	0.00%
Protection Plus	0.00	28,800.00	0.00	0.00%	3.96%	0.00%
Indiana Sign & Barricade	0.00	5,000.00	0.00	0.00%	0.69%	0.00%
Total	\$24,200.00	\$65,300.00	\$0.00	3.32%	8.97%	0.00%

Recommendation

The IAA staff recommends the Board consider for approval an award of contract for Apron Stormwater Inlet Repairs, Phase III at Indianapolis International Airport, Project No. I-14-004, to Evans Development Company, Inc. in an amount not-to-exceed \$728,109.00 plus a 3% construction reserve of \$21,843.27 for a total of \$749,952.27. Evans Development Company, Inc. was the lowest responsive and responsible bidder. Supplier diversity participation on contract is MBE 3.32% (Harmon Steel), WBE 8.97% (Kopetsky Tri-Ax, Inc., MJ Schuetz Insurance, Protection Plus, Indiana Sign & Barricade), and VBE 0.00%.



BOARD MEMO – CHANGE ORDER

To: IAA Board of Directors

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

Date: February 9, 2016

Board Date: February 19, 2016

Subject: Approval of Change Order No. 4 (Adjusted 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. 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 Owner Requested change order addresses the Replacement of four (4) pinch valves in the Alpha Row Detention Basin. During construction of the Alpha Row Basin Liner, it was discovered that the pinch valves were nonoperational and needed replaced. The original four pinch valves had reached their useful operational life and replacement was necessary to maintain proper operational function at the Alpha Row Basin.

Budget

Revised Construction Amount

Original Construction Contract Amount	\$5,694,000.00
Previous Change Orders (Nos. 1 thru 3)	182,691.79
Current Change Order No. 4 (Adjusted Final)	<u>34,700.00</u>
New Construction Contract Total	\$5,911,391.79

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

Schedule

The contract term will not be extended by Change Order No. 4. The project completion date was October 30, 2015.

Supplier Diversity Participation

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

Firm	Classification	Original Amt. \$	Original XBE %	Amt.\$ After CO # 4	XBE % After CO # 4
The Crew Corporation	DBE/WBE	\$ 397,000.00	6.97%	\$ 404,369.74	6.84%
E-Z Trucking	DBE/MBE	534,000.00	9.38%	501,485.00	8.48%
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	5.05%
Team Cruiser	DBE/MBE	702,380.00	12.34%	709,030.00	11.99%
White Security	WBE	112,500.00	1.98%	370,338.00	6.26%
Fox Contractors Corp.	MBE	\$ 41,000.00	0.72%	\$ 41,000.00	0.69%
	Totals XBE	\$ 2,094,265.00	36.78%	\$ 2,333,607.74	39.48%
	DBE	\$ 1,642,380.00	28.84%	1,623,884.74	27.47%
	MBE	\$ 1,277,380.00	22.43%	1,251,515.00	21.17%
	WBE	\$ 518,500.00	9.11%	783,707.74	13.26%
	VBE	\$ 298,385.00	5.24%	298,385.00	5.05%

Recommendation

The IAA staff recommends the Board consider for approval Change Order No. 4 (Adjusted Final) 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 \$34,700.00. There is no additional Supplier Diversity participation for this final Change Order No. 4.

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.

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.

Subtotal of Change Orders No. 1 –3 \$182,691.79

Change Order 4 – \$34,700.00 (Adjusted Final)

This Owner Requested change order addresses the Replacement of four (4) pinch valves in the Alpha Row Detention Basin. The original four pinch valves out served there useful operational life.