



**Indianapolis Airport Authority**

**Agenda  
Indianapolis Airport Authority  
May 18, 2018  
8:00 AM**

**I. Call to Order**

**II. Approval of Minutes of the IAA Board's Regular Meeting of April 20, 2018**

**III. Ordinances, Resolutions and Public Hearings – No Items**

**IV. Board Reports**

a) Board President's Report

**V. Official Actions**

Consider, for approval, the individual items on the IAA General Agenda, dated May 18, 2018.

**VI. Staff Reports**

a) **Executive Director's Report**

i. **Infosys Recap – Mario Rodriguez / Bill Stinson**

ii. **Supplier Diversity Update – Holli Harrington**

**VII. Other Reports/Update**

**VIII. Board Communications**

*Next Meeting: Friday, June 15, 2018 @ 8:00 a.m.*

**MINUTES**  
**Board of Directors Meeting**  
**Indianapolis Airport Authority**

The Regular Meeting of the Indianapolis Airport Authority (IAA) Board was called to order at 8:14 a.m., on April 20, 2018, in the Airport's Board Room at Indianapolis International Airport.

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

Barbara Glass, President  
Steve Dillinger, Vice President  
Alfred Bennett, Secretary  
Kurt Schleiter, Member  
Jeffrey Gaither, Member  
Toby McClamroch, Member  
Mamon Powers III, Member  
Brett Voorhies, Member  
Lynn Gordon, Advisory Member  
Brian Tuohy, IAA Board Counsel

**IAA Executive Staff attending:**

Mario Rodriguez, Executive Director  
Mike Medvescek, Sr. Director of Operations & Public Safety  
Marsha Stone, Sr. Director of Commercial Enterprise  
Robert Thomson, Sr. Director of Finance  
Jarod Klaas, Sr. Director, Engineering, Planning & Development  
Jeff Mallamad, General Counsel  
Lisa Bierman, Sr. Executive Assistant  
Maria Wiley, Sr. Director of Audit, Compliance & Procurement  
Reid Goldsmith, Sr. Director of Information Technology  
Rachel Hernandez, Sr. Director of Human Resources  
Bill Stinson, Sr. Director of Public Affairs

**APPROVAL OF MINUTES**

Upon a motion by Mr. Voorhies, seconded by Mr. Bennett and unanimously passed, approval was given to the Minutes of the Regular Meeting of March 16, 2018.

**ORDINANCES, RESOLUTIONS AND PUBLIC HEARING**

President Glass introduced Ms. Marsha Stone, Sr. Director of Commercial Enterprise, who explained Resolution No. 05-2018, the Second Amendment to Lease Agreement with AAR Aircraft Services, Inc., as more particularly described in BP2018-04-01. Upon a motion by Mr. Powers and seconded by Mr. Gaither and unanimously passed, approval was given to Resolution No. 05-2018.

## **BOARD REPORTS**

President Glass had no announcements.

## **OFFICIAL ACTIONS**

**INTRODUCTION AND APPROVAL OF THE INDIANAPOLIS AIRPORT AUTHORITY'S GENERAL AGENDA, DATED April 20, 2018:** President Glass introduced and then verbally described each of the individual items listed on the General Agenda. Following a brief discussion of each listed item, President Glass asked for separate motions of approval. The following actions were then taken by the IAA Board:

**BP2018-04-02.** Upon a motion by Mr. McClamroch, seconded by Mr. Gaither and unanimously passed, approval was given to BP2018-04-02.

**BP2018-04-03.** Upon a motion by Mr. Bennett, seconded by Mr. Voorhies and unanimously passed, approval was given to BP2018-04-03.

**BP2018-04-05.** Upon a motion by Mr. Powers, seconded by Mr. Voorhies and unanimously passed, approval was given to BP2018-04-05. Mr. McClamroch and Mr. Gaither abstained from this vote.

**BP2018-04-06.** Upon a motion by Mr. Bennett, seconded by Mr. McClamroch and unanimously passed, approval was given to BP2018-04-06.

**BP2018-04-07.** Upon a motion by Mr. McClamroch, seconded by Mr. Gaither and unanimously passed, approval was given to BP2018-04-07.

**BP2018-04-08.** Upon a motion by Mr. Gaither, seconded by Mr. Bennett and unanimously passed, approval was given to BP2018-04-08. There was a brief discussion regarding change order process.

**BP2018-04-09.** Upon a motion by Mr. McClamroch, seconded by Mr. Powers and unanimously passed, approval was given to BP2018-04-09.

**BP2018-04-10.** Upon a motion by Mr. Schleter, seconded by Mr. Dillinger and unanimously passed, approval was given to BP2018-04-10.

**BP2018-04-11.** Upon a motion by Mr. McClamroch, seconded by Mr. Gaither and unanimously passed, approval was given to BP2018-04-11.

**BP2018-04-12.** Upon a motion by Mr. McClamroch, seconded by Mr. Powers and unanimously passed, approval was given to BP2018-04-12.

**STAFF REPORTS**

**Executive Director's Report**

Mr. Rodriguez introduced Mr. Bill Stinson, Sr. Director of Public Affairs, to give a brief recap of the Kennedy King Memorial Ceremony held in Civic Plaza and to present a proclamation from the IAA Board to the TSA, honoring their outstanding service provided to the airport, its employees and the travelling public, and expressing appreciation for their hard work and steadfast vigilance.

Next, Ms. Megan Carrico, Manager of Communication, to give a brief presentation on the Inaugural Indianapolis and Paris Flight Preparations.

Next, Mr. Rodriguez announced the 2017 IAA Annual Core Value Winners. The honored recipients are Agostos Nyemah, Terminal Services, Dennis Scott, Police, and Cathy Winterrowd, Procurement.

Next, Mr. Rodriguez introduced Ms. Marsha Stone, Sr. Director of Commercial Enterprise, to give a brief presentation on ARN's Award to the Indianapolis International Airport for best management team.

**ADJOURNMENT**

President Glass announced that the next IAA Board meeting is scheduled for May 18, 2018. There being no further business, the meeting was adjourned at 8:56 a.m.

**INDIANAPOLIS AIRPORT AUTHORITY \***

By: \_\_\_\_\_  
Barbara Glass, President

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

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

\* Signed under authority of IAA Board Resolution #13-2017

**IAA Board Meeting  
General Agenda  
May 18, 2018**

**General:**

**BP2018-05-01**

**Consider, for approval,** an award of contract for Upgrade Security System Phase I to KST Security, Inc. in an amount not to exceed \$302,021.52. Supplier diversity participation is WBE 100% (KST Security).

**BP2018-05-02**

**Consider, for approval,** the MD Logistics, Inc. Foreign Trade Zone Operator Amendment #1 and Minor Boundary Modification concurrence.

**BP2018-05-03**

**Consider, for approval,** Amendment #2 with Ricondo & Associates on the Rental Car Consultant Service Agreement for rental car planning and strategy in an amount not to exceed \$80,000. Supplier diversity participation is MBE 100% (Ricondo & Associates).

**Capital:**

**BP2018-05-04**

**Consider, for approval,** an award of contract for the West Perimeter Road Bridge Repairs project at Indianapolis International Airport to Beaty Construction, Inc. in an amount not-to-exceed \$385,400.00 plus a 3% construction reserve of \$11,562.00 for a total of \$396,962.00. Beaty Construction, Inc. was the lowest responsive and responsible bidder. Supplier diversity participation is MBE 4.61% (Kingdom Steel, Circle City Rebar), WBE 14.22% (Slusser's Green Thumb, Inc., Indiana Sign & Barricade, Laura Kopetsky Tri-Ax Inc.), and VBE 20.49% (All Star Paving, Inc.).



## **BOARD MEMO – CONTRACT AWARD**

To: IAA Board of Directors

From: Reid Goldsmith, Sr. Director of Information Technology

Date: May 1, 2018

Board Date: May 18, 2018

Subject: Award of Contract with KST Security for Upgrade Security System Phase I

### **Background**

Since the terminal opened in 2008, the Indianapolis Airport Authority (IAA) has operated a physical security system composed primarily of a Closed Circuit Television System (CCTV) and an Access Control System to provide for monitoring of critically secure areas of the main terminal and airport campus as well as control of access of doors and gates into Secure Identification Display Areas, Airport Operations Areas, and otherwise secure areas of the airport terminal and campus. This set of systems is reaching the end of its useful life and to ensure continued security, stability, and supportability, it must be upgraded and/or replaced.

In 2016, IAA issued a Request For Qualifications (RFQ) for airport physical security systems designers and integrators for a potential two-phase engagement with IAA involving first producing a Basis of Design (including vendor demonstrations, project scoping, and budget estimating) followed by a second phase of producing detailed design documents and plans and specifications for the project to move forward with construction. A contract for initial Basis of Design was awarded to Faith Group and their contract was subsequently amended for them to provide full design and engineering services.

In January 2018 an RFQ for Security Systems Integrators was issued in order to shortlist potential vendors to provide hardware, computer software, and installation services for the project. The shortlisted companies were Convergent, Johnson Controls, and KST Security. In March 2018, a Request For Proposals (RFP) for Phase I – Access Control System replacement was issued to the shortlisted vendors and responses were received in April.

KST Security was the lowest-cost respondent in the amount of \$302,021.52 and selected by the evaluation committee for recommendation of contract award.

### **Scope**

Provide and install replacement ACS card readers and biometric card readers at all secure doors and gates on the IND campus.

**Schedule**

Contract award is anticipated May 18, 2018 and the substantial completion is expected to be July 2018.

**Budget**

The KST Security contract is for \$302,021.52 and is within the approved budget for the Replace Midfield Sterile Area Security and Camera Systems project.

**Supplier Diversity Participation**

The Director of Supplier Diversity has approved the following:

Firm	Amount			%		
	MBE	WBE	VBE	MBE	WBE	VBE
KST Security	\$ -	\$ 302,021.52	\$ -	0.00%	100.00%	0.00%
<b>Totals</b>	<b>\$ -</b>	<b>\$ 302,021.52</b>	<b>\$ -</b>	<b>0.00%</b>	<b>100.00%</b>	<b>0.00%</b>

**Recommendation**

The IAA staff recommends the IAA Board consider for approval an award of contract for Upgrade Security System Phase I to KST Security, Inc. in an amount not to exceed \$302,021.52. Supplier diversity participation is WBE 100% (KST Security).



**BOARD MEMO – MD LOGISTICS, INC.,  
FTZ OPERATOR AMENDMENT #1 &  
MINOR BOUNDARY MODIFICATION**

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: April 24, 2018

Board Date: May 18, 2018

Subject: MD Logistics, Inc. - Foreign Trade Zone Operator Amendment #1 and Minor Boundary Modification (MBM)

**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 on its behalf.

MD Logistics, Inc. (MDL) is requesting a permanent Minor Boundary Modification (MBM) for its facility located at 2150 Stanley Road, Suite 100, Plainfield, IN 46168. The designated area would be 180,000 square feet. This expansion will support 75 jobs, enabling the company to facilitate the efficient release of pharmaceutical products into the U.S. market upon FDA approval.

MDL’s Operator Agreement was executed on October 15, 2010 and they activated its use effective January 26, 2011. The company provides contract warehousing and inventory management; along with fulfillment, distribution, packaging, transportation and global freight forwarding services. MDL also provides complete customs brokerage services through their strategic partnership with SEKO Worldwide.

**Scope**

The GIFTZ Board concurred with their request on April 24, 2018, and recommends the IAA Board issue concurrence for a Minor Boundary Modification and the execution of FTZ Operator Amendment #1.

**Schedule**

May 18, 2018: IAA concurrence of MD Logistics Minor Boundary Modification and execution of Amendment #1 to their Foreign Trade Zone Operator Agreement.

**Revenue and/or Operating Cost Implications**

**Revenue:**

MDL's annual grantee fee will remain \$48,000/annum.

**Operating Costs:**

There are no additional costs associated with the execution of the FTZ Operator Amendment #1 and concurrence for a Minor Boundary Modification.

**Supplier Diversity Participation**

Not applicable.

**Recommendation**

The IAA Staff recommends the IAA Board consider for approval the MD Logistics, Inc. Foreign Trade Zone Operator Amendment #1 and Minor Boundary Modification concurrence.



## **BOARD MEMO – RICONDO & ASSOCIATES, INC.**

To: IAA Board of Directors  
From: Marsha Stone, Sr. Director of Commercial Enterprise  
Date: May 8, 2018  
Board Date: May 18, 2018  
Subject: Rental Car Consultancy - Ricondo & Associates, Inc., Amendment #2

### **Background**

On December 31, 2018, every rental car concession agreement (both on and off airport) will expire. In anticipation of this expiration date, in 2016 the IAA published a “Request for Information” (RFI) to procure the services of a rental car consultant. Rental car concession agreements typically encompass a 10-year term and represent a specialized segment within the aviation industry. Given the specialization and infrequency of negotiations, it becomes crucial to work with an industry expert to guide and support staff, but also one who is consistently involved with car rental negotiations at airports throughout the country.

Through the competitive RFI solicitation process, Ricondo & Associates, Inc. (Ricondo) was awarded a “Rental Car Consulting Services Agreement” dated December 16, 2016. Ricondo is a full-service aviation consulting firm that provides facilities and operations planning, environmental planning and financial planning services to airport owners and operators. The tasks and responsibilities in the initial Rental Car Consultancy Services Agreement included a scope of work with a budget to not exceed \$200,000.

Below is the scope of work and tasks negotiated upon in the initial Agreement, dated December 16, 2016.

### **1) Ten (10) Year Financial and Statistical Projection and Analysis**

- Ten (10) year position on rental car transactional and revenue trend projections with a sensitivity analysis examining future passenger counts, TNCs impact on the industry, shortfall of CFC revenue and local Indianapolis economic outlook.
- Develop comprehensive historical statistical analysis of IND rental car market, to include, but not limited to sales, revenue, peak business times, transaction numbers, operational & maintenance costs.
- Develop financial consideration charts/timelines to develop IND’s future rental car facilities, support space and infrastructure requirements, in conjunction with the IAA’s Parking Master Plan development.
- Examine past CFC collections and create a future CFC financial plan based on growth projections of the rental car industry.

- Evaluation of existing brands and feasibility of new rental car entrants, along with potential impacts from competing products and services.
- Make recommendations to enhance customer service with emerging trends associated with the rental car industry.
- Position IAA to increase revenue from Rental Car concession fees.

## 2) Ten (10) Year Planning and Development Strategy

- Develop a project timeline highlighting short and long-term plans relating to operational and business planning, construction phasing and infrastructure needs of rental car program, taking into consideration IAA's Parking Master Plan and potential impacts from competing products and services.
- Survey and study on existing rental car operational facilities and future study on space growth and facility expansion.
- Conduct meetings with IAA management and rental car stakeholders to seek input on expansion, relocation and operational planning.
- Implement a strategy and needs for future rental car offerings.
- Propose a strategy to promote ACDBE partnership with Rental Car brands

## 3) Strategy, Structure and Negotiation of Rental Car Concession Agreement

- Establish a proposed timeline for the negotiation process.
- Review current Agreement and recommend strategy to amend existing Agreements or direct through a solicitation process.
- Lead administrative efforts and solicitation RFP process (if any).
- Lead business planning related to rental fees/revenue and CFC collection. Negotiate greater flexibility of CFC funds through new Agreement.
- Recommend compliance provisions, operating terms and quality assurance that will enhance customer service and business decisions of the rental car program.

As staff worked through the initial three scopes of the Ricondo agreement, we found the need for potential changes in the rental car operations which could lead to new/additional infrastructure to accommodate growth of rental car operations while maintaining the highest levels of customer service. Because of the significant use of antennas and radio signals for aircraft operations, staff needed to assure that new infrastructure would not interrupt flight operations.

In July of 2017, Amendment #1 – Airspace Analysis and Assessment, was executed by the Executive Director for \$28,000, which included:

- Analysis of a potential expansion on the existing parking garage and what impacts this additional structure could have on the airspace
- Analysis on interference issues associated with ILS (Instrument Landing System) and LOC (Localizer) signals for each parallel runway

- Provided recommendations considering future expansion and the preservation of ILS/LOC signal integrity

To date, IAA Staff and Ricondo have completed the scope of work in the initial agreement for categories #1 and #2, as well as amendment #2, the Airspace Analysis and Assessment.

The Airspace Analysis and Assessment as well as several other tasks were added onto the scope of work and not planned in the initial agreement. Those additional tasks which have been completed include:

- Cost estimating and additional meetings / calls relating to multiple alternative facility concepts
- In-depth rental car facility requirements’ programming
- Maintenance and rehab analysis of rental car overflow lots and public parking lots
- Integration of Master parking strategy and how it directly correlates to rental car program.
- Development of multiple scenario-based forecasts of revenue and rental car transactions – above and beyond the original sensitivity analysis.
- Required additional on-site meeting not programmed in the original budget to review analysis and program projections

At this time, Ricondo stills needs to complete the scope of work for a revised portion of the initial agreement, category # 3 - Strategy, Structure and Negotiation of Rental Car Concession Agreement. Ricondo has proposed a not to exceed \$80,000 budget to complete the project:

**Strategy, Structure and Negotiation of Rental Car Concession Agreement**

- Planning and development strategy required more in-depth review of business terms prior to negotiations with Rental Car.
- Analysis / scenarios for new Rental Car entrant’s and facility requirements in Ready/Return and Ground Transportation Center
- Facility re-allocation scenarios to accommodate current Rental Car facility constraints

**Budget**

Rental Car Consultancy Services Agreement – Dec 2016	\$200,000
Rental Car Consultancy Services Agreement (Amendment #1) - July 2017	\$ 28,000
<b><u>Rental Car Consultancy Services Agreement (Amendment #2) – May 2018</u></b>	<b><u>\$ 80,000</u></b>
Total:	\$308,000

**Schedule**

Upon notice to proceed with a signed amendment of the original agreement.

**Supplier Diversity Participation**

The Director of Supplier Diversity has approved the following:

FIRM	AMOUNT			%		
	MBE	WBE	VBE	MBE	WBE	VBE
Ricondo & Associates	\$80,000	\$0	\$0	100%	0%	0%
Totals	\$80,000	\$0	\$0	100%	0%	0%

**Recommendation**

IAA staff recommends that the IAA Board consider for approval Amendment #2 with Ricondo & Associates on the Rental Car Consultant Service Agreement for rental car planning and strategy in an amount not to exceed \$80,000. Supplier diversity participation is MBE 100% (Ricondo & Associates).



**Indianapolis Airport Authority**

**BOARD MEMO – CONTRACT AWARD**

To: IAA Board of Directors

From: Jarod Klaas, P.E., Senior Director of Planning & Development

Date: May 8, 2018

Board Date: May 18, 2018

Subject: Award of Construction Contract with Beaty Construction, Inc. for the West Perimeter Road Bridge Repairs project at Indianapolis International Airport (Project No. I-18-017)

**Background**

The West Perimeter Road bridge over Col. H. Weir Cook Memorial Drive at the Indianapolis International Airport (IND) is a post-tensioned two-span concrete bridge constructed in 2006. The intent of this project is to address deterioration occurring at both concrete approach slabs.

The IAA Executive Director originally approved the Plans and Specifications prepared by Journey Engineering, LLC via Task Order No. 5 of their 2017 On-Call contract, and Authorized the Public Bidding Process for West Perimeter Road Bridge Repairs project at IND on February 22, 2018; however, no bids were received. IAA staff determined rebidding of the project was appropriate and on March 27, 2018, the IAA Executive Director approved the rebidding of West Perimeter Road Bridge Repairs project at IND.

On April 25, 2017, the IAA staff received four bids. The project contained a base bid only. The base bids ranged from \$385,400.00 to \$608,279.00. Beaty Construction, Inc. was the lowest responsive and responsible bidder in the amount of \$385,400.00.

In addition to the contract amount, IAA staff 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 IAA 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. Change orders exceeding the construction reserve will be submitted to the IAA Board for approval.

### Scope

The scope of the project includes: removal and replacement of approach slabs to repair damaged pavement and to reduce stress to the existing bridge deck; modification to the concrete gutters, curbs, and inlets to improve drainage; replacement of subgrade below the approach slab sections; drainage improvements to the existing embankments; and maintenance of traffic during construction.

### Budget

The Beaty Construction, Inc. contract is \$385,400.00, which will be included in the 2018 Reforecast Capital Budget for West Perimeter Road Bridge Repairs.

#### **West Perimeter Road Bridge Repairs (I-18-017)**

Contract Amount (including 3% reserve)	\$	396,962.00
Design (including survey and geotechnical)		39,656.02
Construction Management		68,000.00
Advertisements for Bid		500.00
Inspection & Materials Testing		45,509.60
<b>Total Anticipated Project Cost</b>	<b>\$</b>	<b>550,627.62</b>

This project will be 100% Airport cash funded.

This project is being undertaken to preserve an asset. Without these improvements, the structure will continue to deteriorate in excess of normal maintenance and its remaining useful life will be reduced. As a result of the necessity to maintain the asset in working order, 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 is anticipated May 18, 2018 and substantial completion is expected to occur August 2018.

### Supplier Diversity Participation

The Director of Supplier Diversity has approved the following:

Firm	Amount			%		
	MBE	WBE	VBE	MBE	WBE	VBE
Kingdom Steel LLC	\$ 7,047.00	\$ -	\$ -	1.83%	0.00%	0.00%
Circle City Rebar	\$ 10,708.00	\$ -	\$ -	2.78%	0.00%	0.00%
Slusser's Green Thumb, Inc.	\$ -	\$ 2,784.16	\$ -	0.00%	0.72%	0.00%
Indiana Sign & Barricade	\$ -	\$ 37,973.04	\$ -	0.00%	9.85%	0.00%
Laura Kopetsky Tri-Ax Inc.	-	14,030.00	-	0.00%	3.64%	0.00%
All Star Paving, Inc.	-	-	78,964.53	0.00%	0.00%	20.49%
				0.00%	0.00%	0.00%
<b>Totals</b>	<b>\$ 17,755.00</b>	<b>\$ 54,787.20</b>	<b>\$ 78,964.53</b>	<b>4.61%</b>	<b>14.22%</b>	<b>20.49%</b>

**Recommendation**

The IAA staff recommends the IAA Board consider for approval an award of contract for the West Perimeter Road Bridge Repairs project at Indianapolis International Airport to Beaty Construction, Inc. in an amount not-to-exceed \$385,400.00 plus a 3% construction reserve of \$11,562.00 for a total of \$396,962.00. Beaty Construction, Inc. was the lowest responsive and responsible bidder. Supplier diversity participation is MBE 4.61% (Kingdom Steel, Circle City Rebar), WBE 14.22% (Slusser's Green Thumb, Inc., Indiana Sign & Barricade, Laura Kopetsky Tri-Ax Inc.), and VBE 20.49% (All Star Paving, Inc.).