



Indianapolis Airport Authority

Agenda Indianapolis Airport Authority October 19, 2018 8:00 AM

- I. **Call to Order**
- II. **Approval of Minutes of the IAA Board’s Regular Meeting of September 21, 2018.**
- III. **Ordinances, Resolutions and Public Hearings**
 - a) **Consider, for approval and adoption, [Resolution No. 10-2018](#),** amending and replacing Indianapolis Airport Authority’s existing Investment Policy, as more particularly described in [BP2018-10-01](#).
 - b) **Consider, for approval and adoption, [Resolution No. 11-2018](#),** the Indianapolis Airport Authority’s Internal Controls Policy, as more particularly described in [BP2018-10-02](#).
 - c) **Consider, for approval and adoption, [Resolution No. 12-2018](#),** revised Charter for Indianapolis Airport Authority’s Finance and Audit Committee, as more particularly described in [BP2018-10-03](#).
 - d) **Consider, for approval, [Resolution No. 13-2018](#),** authorizing the sale of Indianapolis Airport Authority and Indianapolis Maintenance Center assets via public auction as more particularly described in [BP2018-10-04](#).
 - e) **Introduction of [General Ordinance No. 5-2018](#),** of the Indianapolis Airport Authority pertaining to Amendment No. 4 to the Amended and Restated Lease Agreement between Federal Express Corporation (the “Lessee”) and the Indianapolis Airport Authority, making findings regarding the character, experience and financial responsibility of the Lessee and authorizing and approving all related documentation, as more particularly described in [BP2018-10-05](#).
 - f) **Public Hearing on [BP2018-10-06](#),** regarding the **Master Project Agreement** by and between the Indianapolis Airport Authority, the Consolidated City of Indianapolis, the Indiana Economic Development Corporation and Infosys Limited, and a **Real Estate Sale Agreement** with the Consolidated City of Indianapolis and a **Land Contract** with the Consolidated City of Indianapolis for sale of approximately 132 acres of land and improvements located at the Indianapolis International Airport; the vehicle parking areas of the former passenger terminal, as more particularly described in said [BP2018-10-06](#).

- g) Consider, for approval, [BP2018-10-06](#), a **Master Project Agreement** by and between the Indianapolis Airport Authority, the Consolidated City of Indianapolis, the Indiana Economic Development Corporation and Infosys Limited which defines the overall development of the Infosys campus including responsible parties and commitments associated with the sale of approximately 132 acres of land and improvements located at Indianapolis International Airport; a certain **Real Estate Sale Agreement** with the Consolidated City of Indianapolis for sale of approximately 128 acres of land and improvements located at the Indianapolis International Airport (the surface parking areas of the former passenger terminal), and a **Land Contract** with the Consolidated City of Indianapolis, for the contract sale of approximately 4 acres of land and improvements (the garage of the former passenger terminal), as more particularly described in said [BP2018-10-06](#).
- h) **Introduction of Bond Ordinance, General Ordinance No. 06-2018**, concerning the Indianapolis Airport Authority's issuance of one or more series of additional revenue bonds designated "Indianapolis Airport Authority Airport Revenue Bonds" to fund various capital projects of the Airport System, to refund all or a portion of the Authority's outstanding subordinate securities, to fund one or more reserve accounts for the bonds and to provide provisions concerning other matters related thereto, as more particularly described in said [BP2018-10-10](#).

IV. **Board Reports**

- a) Board President's Report

V. **Official Actions**

Consider, for approval, the individual items on the IAA General Agenda, dated October 19, 2018.

VI. **Staff Reports**

- a) **Executive Director's Report**

- i. IND name by Conde' Nast Best Airport in the U.S. (5th Consecutive Year)
- ii. IND rated #2 Medium Hub Airport by JD Power's and Associates
- iii. St. Vincent Flyaway 5K – Bill Stinson
- iv. Fed Ex's 30th Anniversary at IND Recognition

VII. **Other Reports/Update**

VIII. **Board Communications**

- a) *Next Meeting: Friday, November 16, 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 8:02 a.m., on September 21, 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
Kelly Flynn, Member
Toby McClamroch, Member
Mamon Powers III, Member
Lynn Gordon, Member
Brian Tuohy, IAA Board Counsel

IAA Executive Staff attending:

Mario Rodriguez, Executive Director
Mike Medvescek, Sr. Director of Operations and Public Safety
Marsha Stone, Sr. Director of Commercial Enterprise
Robert Thomson, Sr. Director of Finance
Jarod Klaas, Sr. Director, Engineering, Planning & Development
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
Jeffery Mallamad, General Counsel

APPROVAL OF MINUTES

Upon a motion by Mr. Flynn, seconded by Mr. Powers and unanimously passed, approval was given to the Minutes of the Regular Meeting of August 17, 2018.

ORDINANCES, RESOLUTIONS AND PUBLIC HEARING

President Glass announced that they were no Ordinances, Resolutions, or Public Hearings this month.

BOARD REPORTS

President Glass introduced Mr. Mamon Powers, IAA Board Member, to give a brief update on Terminal Optimization and Concession Refresh Committee.

President Glass announced that on September 4 at the Indiana Latino Institute Luncheon Governor Holcomb named Mr. Rodriguez recipient of the State of Indiana Council of Sagamores of the Wabash award.

OFFICIAL ACTIONS

INTRODUCTION AND APPROVAL OF THE INDIANAPOLIS AIRPORT AUTHORITY'S GENERAL AGENDA, DATED September 21, 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:

BP2018-09-01. Upon a motion by Mr. Flynn, seconded by Mr. Bennett and unanimously passed, approval was given to BP2018-09-01. A brief discussion was held regarding runway surface standards and key factors and protocols for continued runway rehabilitation.

BP2018-09-02. Upon a motion by Mr. Gordon, seconded by Mr. McClamroch and unanimously passed, approval was given to BP2018-09-02.

BP2018-09-03. Upon a motion by Mr. Gaither, seconded by Mr. McClamroch and unanimously passed, approval was given to BP2018-09-03.

STAFF REPORTS

Executive Director's Report

Mr. Rodriguez announced Mr. Agostos Nyemah, the 2018 Hoosier Hospitality Award Recipient who was recognized at the Hoosier Hospitality award ceremony by Lieutenant Governor Suzanne Crouch.

Next, Mr. Rodriguez introduced Mr. Bill Stinson who presented on the 2018 Aviation Career Education (ACE) Academy, a summer program for students between the ages of 10-18 who want to learn more about the aviation industry. Mr. Stinson then introduced Captain Ryan Lynch, Founder and Board Chair of the Indianapolis ACE Academy, who briefly spoke about the ACE Academy and thanked the IAA Board and Employees for their support. Captain Lynch then introduced Mr. Tanner Bowman a student that went through the ACE program this summer. Captain Lynch presented the IAA Board Members and Mr. Mike Medvescek with an award for their support of the program.

Next, Mr. Rodriguez introduced Ms. Holli Harrington, Director of Supplier Diversity, who gave a brief update regarding IAA's Supplier and Diversity program.

Other Reports/Updates

Mr. Powers asked had about IND receiving diversions from other airports. Mr. Medvescek, Sr. Director of Operations and Public Safety, briefly explained that Indianapolis International Airport is a diversion airport for Chicago O'Hare and Midway. Due to FAA regulations passengers on aircraft cannot remain onboard longer than three hours for domestic and four hours for international flights.

ADJOURNMENT

President Glass announced that the next IAA Board meeting is scheduled for October 19, 2018. There being no further business, the meeting was adjourned at 8:40 a.m.

INDIANAPOLIS AIRPORT AUTHORITY *

By: _____
Barbara Glass, President

By: _____
Alfred R. Bennett, Secretary

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

DATED: _____

DRAFT



BOARD MEMO - INVESTMENT POLICY

To: IAA Board of Directors

From: Toby McClamroch, Chair, Finance and Audit Committee

Date: September 14, 2018

Board Date: October 19, 2018

Subject: IAA Investment Policy - Review

Background

Annually the Authority’s investment policy is reviewed and amended to be consistent with Indiana Code 5-13-9. The history of amendments resulting from the annual review and update process is as follows:

Resolution	14-2017	(October 20, 2017)	
Resolution	14-2016	(October 21, 2016)	Refine & delegation of authority
Resolution	14-2015	(October 16, 2015)	
Resolution	10-2014	(September 19, 2014)	Reflecting changes made by SEA332
Resolution	5-2013	(March 15, 2013)	
Resolution	1-2012	(April 20, 2012)	Reflecting changes made by HEA191
Resolution	8-2011	(April 15, 2011)	
Resolution	10-2010	(June 18, 2010)	Reflecting changes made by HEA1336
Resolution	12-2009	(September 18, 2009)	Original policy adoption of the Authority’s permitted investments

There have been no amendments to the Indiana Code by either the House or Senate that impact IAA’s investment policy. The IAA Treasurer recommends no changes be made to the Authority’s current investment policy.

Current Status

As part of the annual review of the IAA’s investment policy and at the recommendation of the IAA Treasurer, the Finance and Audit Committee recommends the adoption of Resolution 10-2018, which would result in no changes to the current policy.

Recommendation

The Finance and Audit Committee recommends that the IAA Board adopt Resolution No. 10-2018 amending and replacing the existing Investment Policy, effective October 19, 2018.



BOARD MEMO – INTERNAL CONTROLS POLICY

To: IAA Board of Directors

From: Robert Thomson, Sr. Director of Finance/Treasurer

Date: September 21, 2018

Board Date: October 19, 2018

Subject: Internal Controls Policy

Background

On September 21, 2018, the Finance and Audit Committee completed the required annual review of the existing Internal Controls Policy.

The Finance and Audit Committee (“FAC”) recommended for consideration and approval by the Board the proposed policy.

Recommendation

The Finance and Audit Committee recommends the IAA Board consider for approval adoption of Resolution 11-2018, completing the required annual review of the existing IAA’s Internal Controls Policy.



BOARD MEMO – FAC CHARTER

To: IAA Board of Directors

From: Toby McClamroch, Chair, Finance and Audit Committee

Date: September 21, 2018

Board Date: October 19, 2018

Subject: Restated Finance and Audit Committee Charter – Resolution No. 12-2018

Background

On September 21, 2018, the Finance and Audit Committee completed the required annual review of the existing Finance and Audit Committee Charter (“Charter”).

The Finance and Audit Committee (“FAC”) recommended for consideration and approval by the Board the proposed policy.

Recommendation

The Finance and Audit Committee recommends the IAA Board consider for approval adoption of Resolution 12-2018, completing the required annual review of the existing IAA’s FAC Charter.



BOARD MEMO – PUBLIC AUCTION

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: October 1, 2018

Board Date: October 19, 2018

Subject: Public Auction of Indianapolis Maintenance Center (“IMC”) & Indianapolis Airport Authority Assets

Background

Staff have previously held numerous public auctions and tend to have an auction every year. Items from past auctions included airfield/building maintenance equipment, vehicles, and aviation maintenance equipment from the IMC. All items have exceeded their useful life and are in need of disposal. State law is specific on the disposal of IAA assets; therefore, the most effective way to dispose of these assets is by holding an auction.

In addition to State law, IMC items are accounted for and sold separately from all other IAA auction items due to the terms of the IMC Bondholder Settlement Agreement (the “Agreement”); wherein, IAA has the right to determine the disposition of certain assets; which is in the long term interest of marketing / managing the IMC facility so long as the disposition is done in accordance with the Agreement. A requirement of the Agreement is to provide written notice to Bondholder Trustee and Escrow Trustee. This notification will be sent to the specific parties upon approval of Resolution No. 13-2018 by the Authority Board.

This years’ auctioneer will be Key Auctions, LLC (“Key Auctions”). Key Auctions was selected from among respondents to an RFI solicitation in 2017. The contract for services with Key Auctions was for a one-year term and included a renewal option for two additional one-year periods. The current contract option ends on June 30, 2019.

Consistent with Resolution 13-2017, the auction services contract amendment was executed by the Executive Director or his designee as the revenue from the auction is not expected to exceed \$250,000.

Scope

IAA Staff will take all necessary actions to dispose of the assets listed on “**Exhibit A**” of Resolution No. 13-2018. These assets are in excess and/or obsolete at the IMC and other Authority facilities.

The assets will be disposed of during an on-site public auction to be held in November, 2018. Key Auctions will partner with Staff in marketing the event and to advertise in the metro and surrounding areas of Indianapolis; as well as assist in the physical set-up of the event.

Schedule

October 19, 2018:	IAA Board execution of Resolution No. 13-2018
October 20 thru auction date(s):	Staging, set-up & marketing efforts in preparation of on-site auction
November 15, 2018:	Conduct on-site Auction

Revenue and/or Operating Cost Implications

Revenue:

Estimated revenues are unknown; however, the past 13 auctions have generated on average gross proceeds of approximately \$78,623.00 for the IMC. All other IAA net proceeds are estimated at \$50,000.00 or less for this years’ on-site auction.

Operating Costs:

The cost to IAA for this on-site auction are:

- Commission – 3% of gross sales
- Advertising & marketing – not to exceed \$5,000.00
- Credit card usage fee – not to exceed 2.88% (per transaction)

There is also a Buyer’s premium of 12% for transactions and 18% for on-line transactions. This fee is collected directly from the buyers.

Supplier Diversity Participation

The 2017 RFI solicitation process included efforts to identify MBE, WBE, and/or VBE contractors for public auction services prior to awarding a contract to Key Auctions.

Recommendation

Consider for approval, adoption of Resolution No. 13-2018 authorizing the sale of IAA and IMC assets via public auction.



BOARD MEMO – IAA ORDINANCE INTRODUCTION FEDERAL EXPRESS AMENDMENT NO. 4 / TERM EXTENSION

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: October 3, 2018

Board Date: October 19, 2018

Subject: IAA Board General Ordinance Introduction / Term Extension / Amendment No. 4 to the Amended and Restated Lease Agreement with Federal Express Corporation

Background

The purpose of this Board Memo is to advise the Authority Board that Amendment No. 4 to the Federal Express Corporation (“FedEx”) Amended and Restated Lease Agreement (the “Lease”) will exceed the statutory limits currently in place related to the length of the Lease Term under Indiana Code 8-22-3-11(20).

Indiana Code is further described below wherein it states in part the “airport” may enter into a lease term of up to forty (40) years with a ten (10) year option term. The FedEx Lease Term, including defined option terms, is for approximately fifty-five (55) years.

Federal Express Corporation (FedEx) entered into a new Amended and Restated Lease Agreement in 2012, for their distribution and sort facility at Indianapolis International Airport. Staff have been working alongside FedEx in the planning of their next phase of expansion which ultimately is defined in the ability to sort a greater number of packages within their sort operation. The outcome of those discussions is a FedEx capital investment exceeded \$1.5B dollars into the Hub Sort operations.

Amendment No. 4 incorporates changes to the Lease Agreement to accomplish the next phase of the FedEx 2019 Expansion Project including expanding the Leased Premises for additional widebody aircraft positions, expansion of the employee parking lot and ground service equipment areas. Total increase to the Leased Premises for this phase of expansion is in excess of 3.5M square feet.

Indiana Code 8-22-3-11(20)

Indiana Code is in part stated as follows, “.....the airport, including all or part of its land, facilities, or structures, may be leased for any use connected with the operation and convenience of the airport

for a term not exceeding forty (40) years and may be extended for a period not to exceed ten (10) years. If a person whose character, experience, and financial responsibility have been determined satisfactory by the board offers to erect a permanent structure that facilitates is consistent with the operation, use, and purpose of the airport on land belonging to the airport, a lease may be entered into for a period not to exceed ninety-nine (99) years. However, the board must pass an ordinance to enter into such a lease.....”

Scope

The process will need to be an introduction of the General Ordinance in the October 19th Board Meeting and in turn, an opening and closing of a hearing leading to a vote in the November 16th Board Meeting. The need for the General Ordinance is associated with the new length of Term of the Lease which exceeds the statutory limits of a forty (40) year term with a ten (10) year option term.

Schedule

- October 19, 2018: IAA Board introduction of the General Ordinance No. 5-2018 associated with the new Lease Term of the FedEx Lease.
- November 16, 2018: Opening and closing of Hearing on General Ordinance No. 5-2018 and vote on approval of Amendment No. 4 to the FedEx Lease.

Revenue and/or Operating Cost Implications

Revenue:

Commencing on the earlier, completion of FedEx’s 2019 Expansion Project or October 1, 2021, ground rental for the Leased Premises will increase by \$677,060 annually. Per existing lease terms, the overall rental structure is adjustable every five years by consumer price index calculation. The next adjustment is schedule for July 1, 2022. The Term of Lease will be extended to December 31, 2053 with the opportunity for two ten-year option periods.

Operating Costs:

FedEx has and will continue to be responsible for all operational costs associated with their Leased Premises.

Supplier Diversity Participation

Not applicable as this Board Memo is to do with the introduction of General Ordinance 5-2018 in approving “years of term” to the FedEx Agreement.

Recommendation

An introduction of **General Ordinance No. 5-2018** of the Indianapolis Airport Authority associated with Amendment No. 4 to the Amended and Restated Lease Agreement between Federal Express Corporation (the “Lessee”) and the Indianapolis Airport Authority.



**BOARD MEMO – CITY OF INDIANAPOLIS / INFOSYS
MASTER PROJECT AGREEMENT
REAL ESTATE SALE AGREEMENT
LAND CONTRACT**

To: IAA Board of Directors

From: Marsha Stone, Sr. Director of Commercial Enterprise

Date: October 3, 2018

Board Date: October 19, 2018

Subject: 1) **Master Project Agreement** by and between: IAA, Consolidated City of Indianapolis, Indiana Economic Development Corporation and Infosys Limited

2) Sale of Land via **Real Estate Sale Agreement** with the Consolidated City of Indianapolis

3) Sale of Land via **Land Contract** with the Consolidated City of Indianapolis

Background

As a direct attribute of the IAA’s Land Use Initiative, IAA Staff have been diligently pursuing the sale of certain IAA lands including the IAA’s most visible property, the vehicle parking areas of the former passenger terminal. This particular transaction is located within Marion County with the buyer being the Consolidated City of Indianapolis (the “City”), who will in turn, sell the property to Infosys Limited, (“Infosys”).

Governed by law of the State of Indiana on such land transactions, the IAA procured two separate appraisals for each section of land to be sold. These appraisals were then averaged and that dollar amount becomes the minimum price the IAA may sell land in any transaction. The sale price meets the average of two appraisal amounts and represents Fair Market Value (FMV) as guided by the FAA. As this land falls within the “aeronautical uses” of the Airport Layout Plan (ALP), Staff is required to submit information to the FAA including evidence of a fair market value transaction to receive approval from the FAA to release the land from aeronautical uses and approve the land sale transaction. The land release from the FAA is expected before the end of year 2018.

Infosys will develop and operate a U.S. technology and innovation training headquarters, containing architecturally significant and environmentally sustainable commercial buildings,

housing, parking facilities, green spaces, and other aspects, where Infosys can house and train its employees and others from all over the U.S.A.

Real Estate Descriptions

The land to be sold totals approximately 132 acres which is described and divided as follows as well as shown on the attachment to this Board Memo:

- The **“Site”** as shown in the attachment is land south of Raymond Street lying in between I-465 and High School Road (an IAA owned road) along with the former corporate parking lot lying between High School Road and the Garage. These two locations make up the initial area where Infosys will commence their Phase I & Phase II development. A final site plan is expected by mid-November 2018 along with the goal of completing the Phase I of development by January 2021 and complete development of the Site by December 2028.
 - The **“Real Estate Sale Agreement”** document as mentioned in the title to this Memo is associated with the transaction for the Site. The closing on this portion of real estate will be handled in a traditional manner, meaning there will be a closing at Chicago Title (Title Company associated with this transaction). This will also be the case when it is time to close on the Option Area.
- The **“Option Area”** as noted on the attachment to this Board Memo begins at Raymond Street (an IAA owned road) and continues north to the CSX Railroad. It is bound as well by I-465 and High School Road. The City / Infosys will hold an option to this property through January 2029. The ability for Infosys to exercise said option is dependent on Infosys first developing the **“Phase One”** portion of the **“Site”**. Phase One is roughly about 50% of the Site.
 - The IAA will continue to have the right to lease all or portions of the Option Area during this option period timeframe. The IAA has leased on a short term basis, portions of the former parking lot areas over the past ten years and will continue to do so as appropriate.
- The **“Garage”** as noted on the attachment is the former passenger terminal garage consisting of 1,776 parking spaces and the former Ground Transportation Center.
 - The IAA as a part of the Master Project Agreement will redevelop the garage, an estimated \$8M to \$10M project, and in turn sell the asset to the City and recoup the redevelopment cost associated with the garage.
 - Unlike the traditional closing of the **“Site”** real estate, the garage will be sold under Contract. Specifically, the garage transaction will have a seven-year term with monthly payments for six years and a balloon payment beginning in year seven.

Land Covenants (to be attached to the deed(s))

The special warranty deed conveying the Real Estate to the City, and in turn, City to Infosys, will also include and contain the following perpetual land use restrictions, as follows,

which will run with the land and be binding at all times on the City and its successors and assigns for the benefit of the IAA and users of the IAA's airport facilities:

1. IAA reserves and retains a perpetual easement and right-of-way ("Airspace Easement") unto itself, for the free and unobstructed passage of aircraft in, through and across the airspace which lies above the maximum height restrictions designated or established by federal or state laws, rules or regulations, or ordinances, including, but not limited to, 14 CFR Part 77 and the Marion County, Indiana, Consolidated Zoning/Subdivision Ordinance, Chapter 742, Article II, Section 05, now in force or as hereafter amended.

The easement and rights retained include:

- the continuing right to keep the airspace within the Airspace Easement Area clear of any obstructions infringing upon or extending into or above the Airspace Easement Area, and to remove any obstruction that infringes upon said Airspace Easement Area,
- the right of flight within the Airspace Easement Area, which the City acknowledges may result in noise, vibrations, fumes, dust, fuel particles and other effects as may be inherent and necessary to the safe operation of aircraft.
- City for itself, and its successors and assigns, unconditionally releases and discharges Indianapolis Airport Authority from all claims, actions, damages, and liabilities with respect to all noise, vibrations, particulates, or any other matters pertaining in any way, directly or indirectly, to the operation of an airport and/or aircraft.

2. City and its successors and assigns, is required to file a notice consistent with requirements of 14 CFR Part 77 (FAA Form 7460-1) prior to constructing any facility, structure, or other item on the herein described Real Estate.

3. City agrees, and its successors and assigns, to prevent any use of the Real Estate which would interfere with the landing or taking-off aircraft, or which would otherwise constitute an airport hazard or that interferes with any air navigation and communication facilities servicing the airport.

4. City and its successors and assigns, agree to not use, nor permit, use of the Real Estate in such a manner as to create electrical interference with radio communication between radio and receiver installations at the airport and aircraft. All exterior lighting on the Real Estate will be indirect and designed and installed in such a manner as not to cause glare or light emissions that interfere with a pilot's vision.

5. City and its successors and assigns, agree to not use, nor permit, use of the Real Estate in such a manner as to create a potential for attracting birds and other wildlife which may pose a hazard to aircraft.

6. The Real Estate will not be used for, or permit thereon, any type of fee-based parking for any type of long-term or short-term airport patron parking or airport vendor parking or as a taxi staging area

7. City and its successors or assigns, agree that the Real Estate will not be used for any type of utility operation, asphalt plant, or other business or facility that emits, to any extent, smoke, fumes, vapors, or other gases that constitute a hazard to aircraft as determined by the Federal Aviation Administration.

8. City and its successor or assigns, agree that no houses, apartments, condominiums, retirement home, health care residential facility, group home residence, or other residential buildings or facilities will be constructed or maintained at any time upon the Real Estate; provided that the foregoing restriction will not unreasonably restrict or preclude the short-term on-site housing of employees, clients, and customers (and their respective employees).

Scope

To execute the following documents with the Consolidated City of Indianapolis (and at times other entities) for the sale of approximately 132 acres of land located on the eastside of Indianapolis International Airport within Marion County:

- Master Project Agreement (with the City, IEDC and Infosys Limited)
- Real Estate Sale Agreement (with the City)
- Land Contract (with the City)

Note: Due to variables which continue in this overall transaction, Staff is advising the Board it is expected an amendment(s) to the above documents will most likely be necessary. An example of this is as of this writing the survey work is being modified and until this work is done and audited, the exact acreages and in turn, dollar amounts are close, but are approximations. Those needed amendments will most likely fall within the delegation of authority of the Executive Director.

Schedule

October 19, 2017:	Execution of Master Project Agreement, Real Estate Sale Agreement and Land Contract by the IAA Board
By December 31, 2018	FAA approval of the Land Release for the Site, Option Area and Garage
By December 31, 2018:	Real Estate Closings on the "Site" and "Garage"
TBD	Exercise of option by City/Infosys on the Option Area land

Sales Transaction - Revenue and/or Operating Cost Implications

The following is an estimated Sales Transaction for the overall subject matter:

- 122.314 acres @ \$72,405. per acre = \$ 8,856,145.17

- 5.4 areas @ \$86,574 per acre = \$ 467,499.60
- 4.286 acres (and garage) = \$12,125,000.00
- Total = \$21,448,644.77

Note: The above dollar amount does not include the redevelopment costs associated with the garage which is estimated at \$8M to \$10M. These redevelopment costs with interest will be repaid to the IAA via the Land Contract with the City.

Operating Costs:

Operating costs for this transaction will not exceed \$225,000 and are generally made up of, survey and environmental fees, traffic study(s), recording fees, title work, legal fees and closing costs.

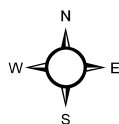
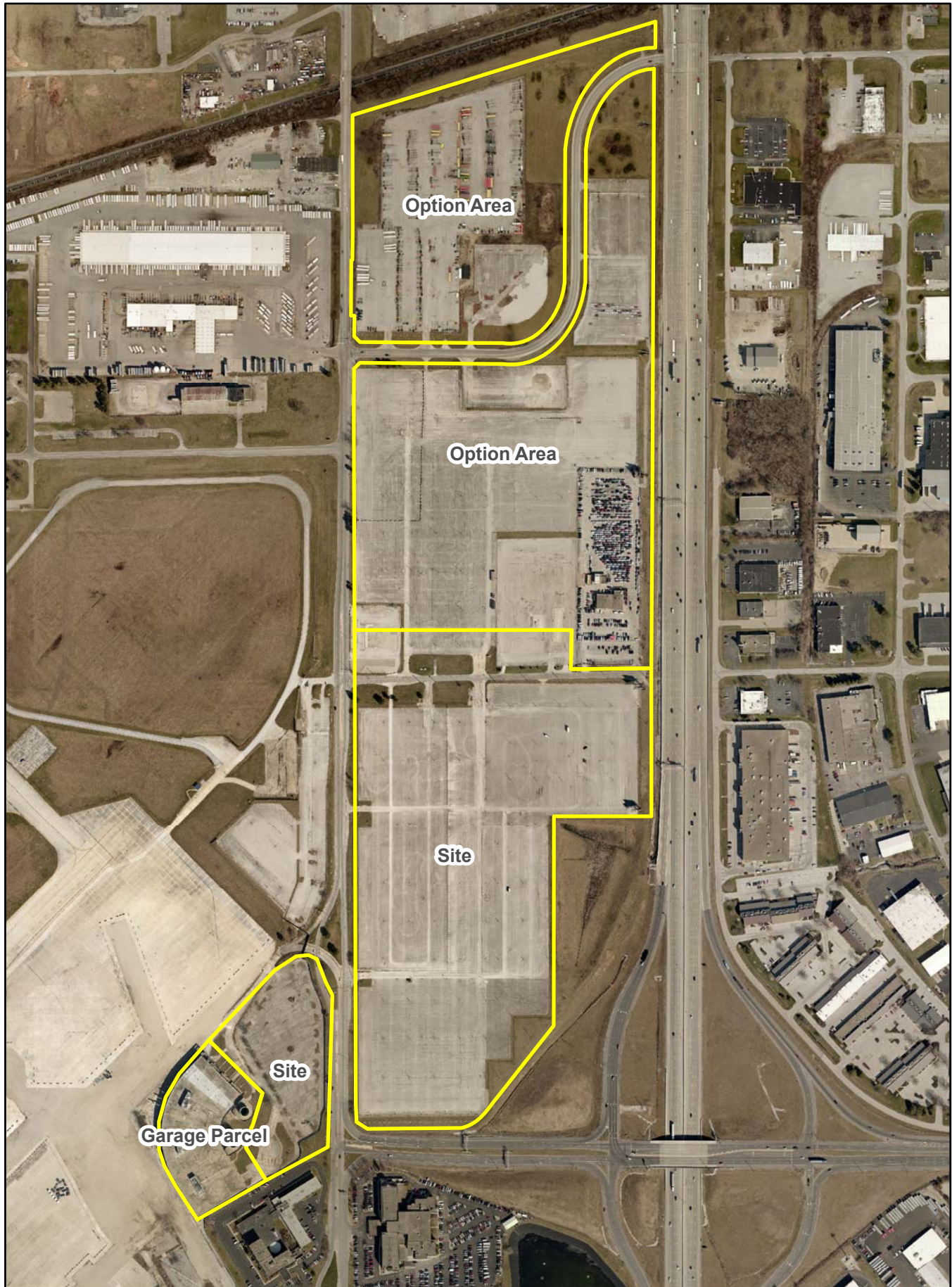
Supplier Diversity Participation

Estimated MBE spend is \$58,000 or 26% (Shrewsbury, DLZ). Estimated WBE spend is \$37,000 or 16% (Keramida) of the total estimated dollar amount noted above.

Recommendation

Consider for approval a Master Project Agreement by and between the Indianapolis Airport Authority, the Consolidated City of Indianapolis, the Indiana Economic Development Corporation and Infosys Limited which defines the overall development of the Infosys campus including responsible parties and commitments associated with the sale of approximately 132 acres of land and improvements located at Indianapolis International Airport.

Consider for approval a Real Estate Sale Agreement and separately, a Land Contract with the Consolidated City of Indianapolis for the sale of approximately 132 acres of land and improvements located at Indianapolis International Airport; the vehicle parking areas of the former passenger terminal.





Board Memo – Adoption of Bond Ordinance

To: IAA Board of Directors

From: Robert B. Thomson, Sr. Director of Finance/Treasurer

Date: October 16, 2018

Board Date: October 19, 2018

Subject: Introduction of General Ordinance No. 6-2018

The Indianapolis Airport Authority is hereby presenting General Ordinance No. 6-2018 ("Ordinance").

IAA's Finance and Audit Committee has recommended the Ordinance for approval to provide the authorizations necessary to refund the temporary subordinate direct placement credit facility used to fund the storm water enhancement project with fixed rate airport revenue bonds, and to issue new money debt to fund the projects planned for in the Board approved 2019 capital budget.

General Ordinance No. 6-2018 is a supplement to the IAA's Master Bond Ordinance (5-2014) of the Indianapolis Airport Authority concerning the Authority's issuance of one or more series of additional revenue bonds designated "Indianapolis Airport Authority Airport Revenue Bonds" to fund various capital projects of the Airport System, to refund all or a portion of the Authority's outstanding subordinate securities, to fund one or more reserve accounts for the bonds and to provide provisions concerning other matters related thereto.

The TEFRA (Tax Equity and Fiscal Responsibility Act) hearing and the final public hearing on the adoption of the above-referenced Ordinance will be conducted as a combined hearing at the November 16, 2018 IAA Board meeting.

**IAA Board Meeting
General Agenda
October 19, 2018**

General:

BP2018-10-07

Consider, for approval, a contract with BKD LLP for the audit of the Indianapolis Airport Authority's financial statements for the year ended December 31, 2018 in an amount not to exceed \$135,400. Supplier diversity participation on this contract is MBE 12% (Thomas & Reed LLC).

Capital:

BP2018-10-08

Consider, for approval, an award of contract for the Garage Precast Louver Panels, Phase I project at Indianapolis International Airport to Glenroy Construction Co., Inc. in an amount not-to-exceed \$99,500.00 plus a 3% construction reserve of \$2,985.00 for a total of \$102,485.00. Glenroy Construction Co., Inc. was the lowest responsible and responsive bidder. Supplier diversity participation is MBE 62.58% (Harmon Steel).

BP2018-10-09

Consider, for approval, a professional services contract with Synthesis Inc. for the Concessions Refresh – White Box/TSA project at Indianapolis International Airport in an amount not-to-exceed \$110,229.00 (fees and expenses). Supplier diversity participation is MBE 5.44% (JPS Consulting Engineers, LLC), and WBE 91.38% (Synthesis Inc. and Loftus Engineering).



Indianapolis Airport Authority

Board Memo Contract – 2018 External Audit

To: IAA Board of Directors

From: Toby McClamroch, Chair, Finance and Audit Committee

Date: September 14, 2018

Board Date: October 19, 2018

Subject: Contract with BKD LLP for the audit of the Indianapolis Airport Authority’s financial statements for the year ended December 31, 2018

Background

In 2017 BKD LLP (“BKD”) provided audit services fee commitments for 2017-2019 audit years:

2017	\$131,500
2018	\$135,400 (represents a 3% fee increase)
2019	\$139,500 (represents a 3% fee increase)

The Finance and Audit Committee has reviewed and discussed the fee proposal for all three years and recommends the fee proposals be accepted.

Scope

Approve a not-to-exceed contract for financial auditing services of the Indianapolis Airport Authority’s 2018 financial statements and associated internal control and compliance reports as required under the U.S. Office of Management and Budget (OMB) Compliance Supplement applicable to each of IAA’s major federal award programs.

Schedule

Interim work for the 2018 audit will begin in November 2018, while final field work for the audit is expected to begin early February 2019 and continue through March 2019.

BKD LLP is committed to ensuring staff continuity on the IAA engagement, to providing partner oversight with airport audit experience and expertise, and to providing staff at all levels with governmental auditing experience.

Supplier Diversity Participation

The Diversity of Supplier Director has approved the following:

FIRM	AMOUNT				%			
	DBE	MBE	WBE	VBE	DBE	MBE	WBE	VBE
Thomas & Reed LLC	\$ -	\$16,248.00	\$ -	\$ -	0.00%	12.00%	0.00%	0.00%
Totals	\$ -	\$16,248.00	\$ -	\$ -	0.00%	12.00%	0.00%	0.00%

Recommendation

The Finance and Audit Committee recommends the Board consider for approval a contract with BKD LLP for the audit of the Indianapolis Airport Authority’s financial statements for the year ended December 31, 2018 in an amount not to exceed \$135,400. Supplier diversity participation on this contract is MBE 12% (Thomas & Reed LLC).



Indianapolis Airport Authority

BOARD MEMO – CONTRACT AWARD

To: IAA Board of Directors

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

Date: October 9, 2018

Board Date: October 19, 2018

Subject: Award of Construction Contract with Glenroy Construction Co., Inc. for the Garage Precast Louver Panels, Phase I project at Indianapolis International Airport (Project No. I-17-036)

Background

On July 4, 2017, a precast louver panel located on the west side of the Ground Transportation Center drive lane collapsed. The collapse of the panel was the result of a failed precast connection to the existing garage structure. The collapsed panel was immediately removed and relocated to an on-site storage facility for inspection and testing.

On July 6, 2017, the Indianapolis Airport Authority (IAA) staff retained Ter Horst, Lamson and Fisk, Inc. (TLF) and Alt & Witzig Engineering, Inc. to investigate the cause of failure and forensic inspections for the remaining portions of the precast louvered wall.

On July 7, 2017, the IAA received two quotes from qualified contractors to provide surface preparation and removal of zinc coatings on the precast welded plate connections in support of the forensic investigation. Evans Development Company (EDCO) was deemed the lowest responsible and responsive quoter in the amount of \$34,075.00. On August 8, 2017, the IAA initiated a change order to EDCO in the amount of \$215,684.50 to remove all the upper precast louvered panels, install 41 new galvanized connections to support the lower panels, and reweld 73 existing connections. The change order was necessary to remediate the existing connections which were deemed unsafe.

On January 10, 2018, the IAA staff engaged Wiss, Janney, Elstner Associates, Inc. (WJE), an On-Call consultant for the IAA, to perform structural evaluations of the louvered precast panel connections on the west and east facades of the parking garage. The evaluations included investigations of the collapsed panel and in-situ panels, laboratory examinations of the existing weld materials, structural analysis, remediation recommendations, development of a summary report, and opinions of probable costs. The final evaluation report was received on March 30, 2018. Structural modifications to the existing connections were recommended.

On July 5, 2018, the IAA staff engaged WJE to develop construction documents depicting the recommended modifications and prepare the necessary documentation for bidding.

On August 30, 2018, the IAA Executive Director approved plans and specifications and authorized the public bidding process for the Garage Precast Louver Panels project at Indianapolis International Airport. On September 26, 2018, the IAA staff received four bids. The project contained a base bid only. The bids ranged from \$194,000.00 to \$99,500.00. Glenroy Construction Co., Inc. was the lowest responsible and responsive bidder in the amount of \$99,500.00.

In addition to the contract amount, the 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 includes the removal of specific existing structural connections, installation of new structural connections, and modifications of the remaining connections on the west facade of the parking garage.

Budget

The Glenroy Construction Co., Inc. contract is \$99,500.00, which is within the approved 2018 Capital Budget for Garage Precast Louver Panels.

<u>Garage Precast Louver Panels</u>	
<u>Initial Emergency Response Work</u>	
Design (including Construction Admin)	35,015.00
Construction	172,271.00
Construction Management	12,035.00
Initial Emergency Response Cost	\$ 219,321.00
<u>Phase I</u>	
Design (Including Construction Admin)	\$ 120,573.00
Construction Contract Amount (including 3% reserve)	102,485.00
Advertisements for Bid	311.42
Construction Management	16,965.00
Phase I Anticipated Cost	\$ 240,334.42
Total Anticipated Project Cost	\$ 459,655.42

This project will be 100% Airport cash funded.

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

Schedule

Contract award is anticipated October 19, 2018 and the substantial completion is expected to be December 31, 2018.

Supplier Diversity Participation

The Director of Supplier Diversity has approved the following:

Firm	Amount			%		
	MBE	WBE	VBE	MBE	WBE	VBE
Harmon Steel	\$ -	\$ 62,266.00	\$ -	0.00%	62.58%	0.00%
Totals	\$ -	\$ 62,266.00	\$ -	0.00%	62.58%	0.00%

Recommendation

The IAA staff recommends the IAA Board consider for approval an award of contract for the Garage Precast Louver Panels, Phase I project at Indianapolis International Airport to Glenroy Construction Co., Inc. in an amount not-to-exceed \$99,500.00 plus a 3% construction reserve of \$2,985.00 for a total of \$102,485.00. Glenroy Construction Co., Inc. was the lowest responsible and responsive bidder. Supplier diversity participation is MBE 62.58% (Harmon Steel).



Indianapolis Airport Authority

BOARD MEMO – CONTRACT AWARDS

To: IAA Board of Directors

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

Date: October 9, 2018

Board Date: October 19, 2018

Subject: Approval of a Professional Services Contract with Synthesis Inc. for the Concessions Refresh – White Box/TSA project at Indianapolis International Airport (Project No. I-17-014)

Background

The Indianapolis International Airport opened in 2008 with a variety of concession services. These services included dining, shopping, and retail. Many of the current concession leases will be expiring soon; therefore, the existing spaces must be prepared for new occupants. The Concessions Refresh – White Box project includes multiple tenant-specific renovations which require independent professional Architectural/Engineering (A/E) design services.

On June 11, 2018, the Indianapolis Airport Authority issued a Request for Qualifications to select designers for the project, with responses due on July 18, 2018. Seven Statement of Qualifications (SOQs) were received. A review committee made up of five IAA representatives reviewed and ranked the SOQs. The SOQs submitted by Heapy Engineering and Synthesis, Inc were ranked highest by the committee to meet the requirements of the project.

On September 21, 2018, the IAA Board approved a professional services contract with Heapy Engineering in an amount not-to-exceed \$168,449.19 for the design, documentation, construction administration, and coordination with stakeholders to prepare the existing concession spaces in Civic Plaza, and Concourses A and B for new tenants.

Synthesis, Inc. will provide A/E design services for the Concessions Refresh – White Box/TSA project specifically related to existing and new Transportation Security Administration (TSA) spaces located in Civic Plaza and Concourse B.

Scope

The A/E services will include design, documentation, construction administration, and coordination with stakeholders to renovate certain existing spaces exclusively for TSA and for

potential new occupants. These services will run concurrently with the A/E services being performed by Heapy Engineering.

Budget

The Synthesis Inc. contract is \$110,229.00 which is within the reforecast 2018 spend as reviewed in the approved 2019 Capital Budget for Concessions Refresh.

This project will be 100% Airport cash funded.

This project is being undertaken to prepare tenant spaces for lease. The total cost of the project will be reimbursed from the rental rate of the leased space.

Schedule

Contract award anticipated October 19, 2018 with the contract expiration date of October 31, 2020 to allow for the completion of phased construction and project closeout including warranty walk through.

Supplier Diversity Participation

The Director of Supplier Diversity has approved the following:

Firm	Amount			%		
	MBE	WBE	VBE	MBE	WBE	VBE
Synthesis Inc.	-	65,545.00	-	0.00%	59.46%	0.00%
Loftus Engineering	-	35,184.00	-	0.00%	31.92%	0.00%
JPS Consulting Engineers, LLC	6,000.00	-	-	5.44%	0.00%	0.00%
Totals	\$ 6,000.00	\$ 100,729.00	\$ -	5.44%	91.38%	0.00%

Recommendation

The IAA Staff recommends the IAA Board consider for approval a professional services contract with Synthesis Inc. for the Concessions Refresh – White Box/TSA project at Indianapolis International Airport in an amount not-to-exceed \$110,229.00 (fees and expenses). Supplier diversity participation is MBE 5.44% (JPS Consulting Engineers, LLC), and WBE 91.38% (Synthesis Inc. and Loftus Engineering).