

Year-end Status Report - 2006

Indianapolis Executive Airport

owned and operated by Hamilton County

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1A. Aviation Infrastructure

- 1 Completed the \$1 million runway safety area grading and **glide slope relocation** project, in Spring, 2006 as planned.
- 2 Constructed major **corporate hangar apron** in Spring, 2006, doubling capacity for visiting aircraft and allowing safe access to all aviation facilities east of the main entrance to the airport.
- 3 Completed planning and design project for \$1.8 million partial **parallel taxiway** construction.
- 4 Completed **drainage design** work under new Rule 5 interpretation required to place parallel taxiway project in compliance. Adjusted FAA application to accommodate more than \$100,000 of required changes.
- 5 Awarded three phase \$1.8 million partial **parallel taxiway** construction contracts. Completed more than 60% of work in September through December, including site preparation, drainage, paving base and first layer of asphalt for partial parallel taxiway. Completion is planned for Spring, 2007.
- 6 Acquired and located **glide slope equipment** in new location. Final installation scheduled in Spring, 2007 pending final FAA permit.
- 7 **Fenced** major part of south airport border along CR 200 S/156th Street.
- 8 Constructed half mile long **access road** from 156th Street to aviation electronics.
- 9 Constructed half mile long **access road** from CR 1100 E to taxiway.
- 10 Completed roof, wall, doors and paint renovation of **old T-hangars** to be kept.
- 11 **Relocated tenants** from T-hangars closest to runway into new buildings.
- 12 Completed follow-up drainage, paving and entry work at north-end of new **T-hangar taxiway** construction project.

1B. Aviation Capabilities

- 1 Runway safety grading project refined surface imperfections to within tolerances required for maximum accuracy and **precision landings** in the most challenging conditions allowed.
- 2 Newly installed large **canopy** allows aircraft to be loaded and prepared for dry departure in all weather conditions.
- 3 Installed **Remote Communications Outlet (RCO)** system to improve pilot to control tower communications.
- 4 Welcomed increased corporate and medical care **helicopter traffic** to airport.
- 5 Fixed base operator has acquired certification to offer maintenance and sales services for **additional aircraft types**. Training has begun to provide services for Very Light Jets which arrive in 2007.
- 6 **Precision mapping** of aviation locations and surfaces to be completed in Spring, 2007 based upon photogrammetry done in 2006.
- 7 FAA has scheduled Indy Exec for a GPS based navigation pattern and mapping (**WAAS**) to allow precision landings from the north beginning in 2008.

1C. Tenant Capacity

- 1 Montgomery Aviation completed construction of a second large **corporate jet hangar** capable of storing 8-12 aircraft. A total of 56,000 square feet of indoor storage is now available.
- 2 Montgomery Aviation completed construction of a new **main terminal** between the two corporate hangars, parking areas and a **canopy** for passengers to arrive and depart.
- 3 Tenant constructed third 12 unit **T-hangar** building west of entry drive.
All hangars are occupied. Requires county investment in additional taxiway to begin next row of 36 hangars.
- 4 Added aviation related **businesses** within newly constructed buildings.
- 5 Continuing to hold discussions with potential **corporate hangar tenants**.
Have delayed detailed lease negotiations because corporate hangar taxiway and sanitary sewer solutions are not funded until 2007 or later.
- 6 Existing medium sized **hangar overhauled** by owners with new doors.
- 7 Reiterated the availability of airport land to Union Township for the purpose of constructing a **fire station**.
- 8 Reduced **arable farm acreage** during glide slope relocation and parallel taxiway projects site work. Land to be restored in Spring, 2007.
- 9 Further increased aircraft owners and pilots and commemorative air force **activities**.
Improved communications with key stakeholders. Working together to celebrate 50th anniversary of Terry Airport in 2007.
- 10 Worked with remote control **aircraft club** to move their operations to a safer location on the airport property.
- 11 Worked with economic development agencies to propose inducements for **Very Light Jet manufacturer** to locate maintenance facility at Indy Exec.
- 12 Actively pursuing opportunity for **fractional ownership jet company** to base aircraft and maintenance at Indy Exec.
- 13 Locations and access to county and tenant owned **facilities** will be a major focus of the Airport Master Plan Update project in 2007.

2A. Direct Financial Impact

- 1 Aviation Association of Indiana **Economic Impact** methodology indicates that Indy Exec's economic impact increased from \$14 million in 2001 to \$32 million in 2003 to more than \$40 million in 2005. Based on reported comparative figures, Indy Exec Airport became the 10th largest airport in Indiana, surpassing Elkhart, Bloomington and Lafayette. The official 2005 report is expected in early 2007. The '2006 economic impact could exceed \$50 million.
- 2 Airport and tenants signed **construction contracts** in 2005-2006 that exceeded \$8 million.
- 3 State and local collection of **taxes** on payroll, business income, fuel sales and personal property all increased again in 2006 as airport tenants added staff, aviation activities and construction projects.

2B. Economic Development

- 1 Hamilton and Boone County **Economic Development agencies** have both noted the value of the airport in attracting prospective corporate tenants and closing deals in the last 3 years.
- 2 Actively supporting Boone and Hamilton County **economic development groups** through membership, program participation, marketing materials distribution, planning meetings, event support and providing VIP services. Board, management and Council members actively participate in chamber of commerce activities.
- 3 Board members and staff participated in **Westfield Master Plan Update** which recommends significant economic development along Routes 31 and 32, including commercial zoning in nearby Eagletown to take advantage of airport activity. Westfield citizens agreed that a buffer zone would be advantageous along County Line Road, but the final concept plan did not include any commercial zoning south of Route 32.
- 4 Airport continues to serve as an active gateway for developers of Carmel's **Meridian Corridor** and other business and residential projects nearby.
- 5 Duke's **Anson** development is increasingly using the airport to shuttle engineering, construction, investment, management and tenant personnel to their site.
- 6 Many corporate retail developers have also used the airport for ready access to the rapidly expanding **Michigan Road Corridor** radiating northwest from I-465 past the airport's western edge. Even prospective residential developers of land near the airport use this facility to quickly visit and evaluate sites.
- 7 Airport manager continues to meet with a variety of **aviation related businesses**, seeking to attract them to the airport.
- 8 Campaign to increase out of state **corporate jet traffic** to Indy Exec has been successful, providing the opportunity to display Hamilton and Boone County assets to national decision makers as a byproduct of their work in the metropolitan area. Targeted marketing campaign has begun to impact out of state aircraft owners, pilots and schedulers to further increase traffic in 2007.
- 9 Created and published www.IndyExecAirport.com **website** which highlights the economic advantages of Hamilton and Boone Counties.

3A. Aviation Activities

- 1 Reached 92 **based aircraft** at year-end, continuing a 4 year climb from a base of 54 based aircraft (including gliders). This is expected to place Indy Exec as the 11th largest airport in the state, passing Gary and Evansville. Future growth depends upon local taxiway investment to allow corporate and T-hangar construction. A backlog of interested owners exists.
- 2 Annual **operations** for 2006 exceeded 40,000, a 50% increase from a 2002 base of 26,000. Activity level is in the top 20 in Indiana, comparable to Elkhart and Bloomington.
- 3 **Fuel sales** has quadrupled since 2002, from 150,000 to 600,000 gallons per year, in spite of fuel prices that have increased by 200-300%.
- 4 **Corporate traffic** continues to increase, with a dozen based aircraft and transient jets conducting nearly 10,000 scheduled operations in 2006.
- 5 Annual **passenger traffic** approached 15,000, serving 40 passengers on a typical day.

3B. Financial Results

- 1 Earned \$170,000 of operating revenues in 2006 and contributed \$40,000 to the airport **capital fund**.
- 2 Coordinated budgeting, appropriations, contracting and payment activities in various county funds to execute **expanded programs** during 2006. Developed revolving fund to allow timely payment of large dollar contracts.

3C. Quality Services

- 1 The airport was **recertified** by the FAA and INDOT this year, with no material comments.
- 2 Followed preventive **maintenance** and inspection program. Completed planned and unscheduled electronics repair projects, including replacement of localizer antenna at north end of runway.
- 3 Completed major \$200,000 **pavement repair** and replacement project.
- 4 Identified priority **capital replacement** investments for 2007 to be funded through operations and county funds.
- 5 Signed an hourly services contract with Woolpert to allow them to provide the airport manager with brief **engineering advisory services** as required.

4A. Financial Resources

- 1 **Indiana DOT/FAA** funded both years of the \$1.8M partial **parallel taxiway** project. The county's prior investment in design, planning and environmental review allowed this expedited funding to be approved.
- 2 Woolpert skillfully worked with FAA to use the **10% project extension** options to accommodate changes such as increased water drainage costs.
- 3 Reduced **mortgage** on property to \$0.4 million through county payments. Budgeted \$300,000 county payment for 2007.
- 4 Thomson-Meridian **Tax Increment Finance District** provided funds for local facilities projects and a revolving payment fund.
- 5 Indiana Department of Transportation and FAA declined to fund remaining \$250,000 **Airport Master Plan Update** phases for 2007, given their expedited funding of the parallel taxiway improvements, but said that future reimbursement for all expenditures is possible. This is now top priority for 2007 TIF funding.
- 6 Hamilton County approved close to one-half million dollars for priority adjacent **land acquisition** in 2007.
- 7 Maintained **Aviation Commission budget** at \$82,000, with evolving emphasis upon marketing to increase usage of airport, which generates fuel fee income.
- 8 Hamilton County provided another \$50,000 grant to fund phase 2 of the **Airport Master Plan Update** study.
- 9 Hamilton County provided \$50,000 for emergency repairs/replacement of north end localizer landing **antenna** system.
- 10 **Hamilton County Convention & Visitors Bureau** provided \$20,000 to fund joint benefit tourism projects (website, brochures) and invited applications for tourism based capital investment projects.
- 11 Cumulative **Hamilton County investment** exceeds \$6 million.
- 12 Cumulative **FAA investment** exceeds \$10 million.
Reaching 100 based aircraft level will help prioritization in the future, but it is possible that high funding for 2006 and Midway/O'Hare airport priorities may preclude any new FAA funding in 2007.

4B. Planning

- 1 Completed phases 1 and 2 of **Airport Master Plan Update** project.

Researched and documented comprehensive environmental review.
Created aviation activities and facilities inventory.
Surveyed aircraft users regarding usage and future intentions.
Developed aviation operations forecast for FAA review and approval.
Developed blended Airport Overlay Zone distances and map.
Completed initial mapping of property, with completion due in Spring, 2007.
Developed Vision Statement to guide public advisory committee.

Our vision is for Indianapolis Executive Airport to be the premier business and life-style travel facility that mirrors the quality of life in Boone and Hamilton Counties, fosters the economic development of the area, and develops its facilities in concert with the surrounding community.

- 2 Revised FAA **Capital Improvements Plan** for 2007-12 to reflect priority of land acquisition reimbursement and a 5 year sequence of projects to design and build an extended runway, parallel taxiway and landing light system. Resurfacing of the existing runway is listed as the third priority.
- 3 Tailored Tactics completed the **strategic market opportunity** study, laying out naming, logo, website, brochure, on-site marketing, public relations and transient user strategies. Implemented logo, website and brochure recommendations.
- 4 Completed Rule 5/6 environmental and **drainage** planning studies required by Indiana to the satisfaction of Boone County.
- 5 Investigated **sanitary sewer** extension options from the east and south and concluded that no economically feasible extension is possible within 5 years. Deferred local sanitary system planning to 2007, pending Rule 5/6 results and airport master plan layout.
- 6 Participated in **Westfield-Washington Township master planning** meetings, providing background materials, information, options and advice to participants.
- 7 Developed 2007 operating and capital spending **budgets** for county approval.
- 8 Completed environmental and **design work** required for \$1.8 million parallel taxiway project.

4C. Governance

- 1 Garnered county approval to create the **Hamilton County Aviation Authority** effective January 1, 2007 subject to financial oversight by the Hamilton County Council. Aviation authority status provides several advantages over commission status according to Indiana law. The Authority's powers to operate the airport and apply zoning laws are clarified. The Authority has limited taxation authority, subject to county council approval. The Authority remains a 5 voting member body, but also adds an advisory member to be appointed by the Boone County Commissioners.
- 2 Welcomed **Ted Moran** and **Art Johnson** to the board, adding aviation, FAA, government and corporate aviation expertise.
- 3 Elected **Tom Kapostasy** to serve a second term as president and **Don Silvey** to serve as vice president for 2006.
- 4 **Mike Howard** served as **legal counsel**, providing advice on contracts, bidding, transactions, Indiana law, real estate, construction, county government and financing matters.
- 5 Relied upon Dan Montgomery, Andrea Montgomery and Carl Winkler of **Montgomery Aviation** to provide airport manager services and advise the board.
- 6 Added Chris Snyder and Larry Manning to the **Woolpert** engineering team of Larry Creakbaum, Mike Evans and Luke Reynolds.

5A. Hamilton County Governments

- 1 Continued to benefit from the guidance of **Rick McKinney** and **Brad Beaver** as **Hamilton County Council liaisons**.
- 2 **Kim Rauch** served as secretary and administered all fiscal operations through the **Hamilton County Auditor's Office**.
- 3 Board members provided status reports, budget, capital spending, ordinance and appropriation requests to **Hamilton County Commissioners and Council**.
- 4 Mike Howard coordinated various capital spending requests for the Thomson-Meridian **Tax Increment Finance** district through the Capital Appropriations Board and County Council to provide a source of county funding. Kim Rauch and Mike reconciled the tax receipts, disbursements and appeals to guide the board regarding resources available.
- 5 Tim Tolson continued to meet with **Hamilton County Convention and Visitor's Bureau** to identify funding and operating projects to jointly promote local tourism.
- 6 Received representatives from Carmel, Westfield and Hamilton County governmental bodies to serve on the two **Airport Master Plan Update** boards.
- 7 Provided **Westfield master plan update** committee, planners and public with general and specific advice regarding airport interests and impact throughout 2006.
- 8 Investigated **Bear Creek Park** options through Carmel-Clay Parks board.
- 9 Observed attempts to reach consensus on a relocated site for **Indianapolis Metro Airport**.

5B. Boone County Governments

- 1 Provided 2005 year-end airport status report to **Boone County Commissioners**.
- 2 Asked Boone County to investigate an **Airport Overlay Zone** or other measures to more permanently protect airport operations.
- 3 Received four representatives from Boone County Commissioners to serve on the two **Airport Master Plan Update** boards.
- 4 Testified at various **Boone County Advisory Plan Commission** meetings.
- 5 Worked closely with Boone County agencies regarding construction **permits** and final approval of water **drainage plan**.
- 6 Celebrated opening of **new terminal** with representatives from surrounding areas.
- 7 Worked with **Zionsville Community Schools** to better understand aviation impacts and provided alternate sites for planned elementary school.
- 8 Offered land to Union Township for new **fire station**.

5C. Indiana and Federal Governments

- 1 Attended Aviation Association of Indiana (**AAI**) **annual conference**. Met informally with FAA, INDOT and Indiana legislators, aviation board members, lawyers, engineers, consultants, airport managers, universities and aviation experts.
- 2 Attended AAI **Legislators' Luncheon** and conference.
- 3 Included INDOT/FAA reps in **Airport Master Plan Update** process.
- 4 Submitted adjacent land purchases as an **FAA earmark** proposal to federal reps through Hamilton County lobbyist.
- 5 Continued to work with local zoning authorities to protect airport's right to operate as required by **FAA grant contracts**.

5D. Municipal Airport Status

- 1 Garnered county approval to create the **Hamilton County Aviation Authority** effective January 1, 2007 subject to financial oversight by the Hamilton County Council. Aviation authority status provides several advantages over commission status according to Indiana law. The Authority's powers to operate the airport and apply zoning laws are clarified.
- 2 Board agreed to defer requesting **tall structures zoning** authority from Hamilton County Council until early 2007.

6A. Shared Community Uses

- 1 Held various **community functions** at the airport.
- 2 Hosted regional **teacher education** workshops.
- 3 Considered request to setback future fencing to allow **pathways**.

6B. Safety and Security

- 1 Used \$1.2M FAA grant to **relocate glide slope** equipment away from runway, improve ILS functioning, grade runway safety areas, improve drainage, and provide separate road access to equipment and buildings. Runway safety grading project refined surface imperfections to within tolerances required for maximum accuracy and precision landings in most challenging conditions allowed.
- 2 Completed 60% of \$1.8M **parallel taxiway** extension that will greatly reduce the chances of a runway collision.
- 3 Installed **Remote Communications Outlet (RCO)** system to improve pilot to control tower communications
- 4 Began research on need for local **control tower** at Indy Exec as operations level continues to increase along with based aircraft and attractiveness as a corporate aircraft center.
- 5 Investigated proposed FAA rule to add **15% more takeoff** and landing length to operations during inclement weather periods. Engineering research supported board's belief that a runway extension is necessary for the safety of existing operations. Master plan update will focus on basis for 6,400 feet, 7,000 feet or 7,800 feet.
- 6 Met with **police and fire** representatives from Hamilton and Boone Counties to review special aviation risks, share airport layout and coordinate response plans.
- 7 Constructed half-mile long **access roads** from south and west edges of property.
- 8 **Fenced** major part of south airport border along CR 200 S/156th Street.
- 9 Held annual review with Transportation Safety Administration (**TSA**).
- 10 Installed **security camera** and taping system.
- 11 The airport was **recertified** by the FAA and INDOT this year, with no material comments.
- 12 Completed major \$200,000 **pavement repair** and replacement project.
- 13 Outlined **precise landing surfaces** for south approach to advise on Caito plans.
- 14 Continued to invest one-fourth of **operating budget** in safety/maintenance items.
- 15 Reviewed **fuel** storage and pump systems. Replaced equipment as needed.
- 16 Replaced electronics to provide **notice of failure** on precision landing equipment.
- 17 Documented and implemented safety steps required by **environmental Rule 6**.
- 18 Modified site designs for new projects to better accommodate more stringent **Rule 5 water** runoff standards.

6C. Marketing and Communications

- 1 Tailored Tactics completed the **strategic market opportunity** study, laying out naming, logo, website, brochure, on-site marketing, public relations and transient user strategies. Implemented logo, website and brochure recommendations.
- 2 Created comprehensive **website** at www.IndyExecAirport.com.
- 3 Designed and printed **brochures** suitable for in-bound traffic marketing campaign.
- 4 Continued to benefit from the **public relations** services provided to Montgomery Aviation by Ray Rice.
- 5 Board's **marketing committee** met throughout the year to provide input and feedback to airport manager and marketing firms.
- 6 Contracted with Brad Gillum and Warren White of **Willow Marketing** to provide ongoing marketing advisory services.
- 7 Celebrated the groundbreaking and completion of the **new terminal** and associated facilities with local civic leaders and news media.
- 8 Leveraged **master planning** and zoning meetings to gain press coverage.
- 9 Montgomery Aviation and Indy Exec Airport featured in several national publications for **airport expansion** and enhancements.
- 10 Montgomery Aviation attended **national aviation conferences** to promote Indy Exec as a preferred corporate airport in Indianapolis.
- 11 **Indianapolis Business Journal** published a feature article on the airport.
- 12 The Noblesville, Lebanon, Zionsville, Carmel and north Indy **newspapers** now provide frequent coverage of the airport and the surrounding economic development activities.
- 13 Developed **airport operations description** and answers to frequently asked questions for the airport manager and residential developers to use to answer questions from prospective buyers.

6D. Neighboring Environment

- 1 Construction of new facilities has created a new, **modern appearance** to the whole site, offsetting the impact of legacy buildings.
- 2 Runway safety, glide slope relocation and parallel taxiway projects improved appearance of surrounding ground by **contouring** all effected surfaces.
- 3 Completed small **wetlands restoration** project required by environmental assessment.
- 4 Helped neighbor clean westbound **drainage path** to Finley Creek.
- 5 Completed all documentation and planning work required by **water management** rules 5/6 to protect neighboring properties.
- 6 Significantly increased size of runway drainage retention paths and **retention pond** on west edge of property.
- 7 Maintained **site integrity** during construction projects, minimizing disruptions through carefully planned and sequenced activities.
- 8 Mediated **construction damage** disputes with various neighbors. Accepted short payment from tenant farmer to settle dispute.
- 9 Completed tree, brush, trash, fence line and drainage improvements on Bailey **land exchange** to improve farming value.
- 10 Installed **airport signs** on all approaching roads.
- 11 Installed Indianapolis Executive Airport **sign** along CR 200 S/156th Street.

7A. Airport Property

- 1 Engaged in good faith discussions with Producers Realty regarding acquisition of 17 acres for **south Runway Protection Zone**. Commercial zoning proposal was rejected by Boone County APC and Commissioners.
- 2 Learned that 70 acres of Ehman property **north of runway** has been sold to an individual as a residential estate lot.
- 3 Obtained funding from Hamilton County Council to pursue purchase of 20 acres in the north **Runway Protection Zone (RPZ)** early in 2007.
- 4 Investigated options to pursue several **adjacent parcels** of land.
- 5 Identified airport owned property on Southeast and Southwest borders that may be available for **trade** to acquire required land on south end, pending master plan update airport layout.

7B. Airport Zoning and Regulations

- 1 Developed blended recommended **Airport Overlay Zone** distances and map.
Provided recommendations to Westfield.
Deferred notice to Boone County due to commissioners change on January 1.
- 2 Board members and staff participated in **Westfield Master Plan Update** which recommends significant economic development along Routes 31 and 32, including commercial zoning in nearby Eagletown to take advantage of airport traffic. Westfield citizens agreed that a buffer zone would be advantageous along County Line Road, but the final concept plan did not include any commercial zoning south of Route 32.
- 3 Observed the Boone County ordinance which prohibits the creation of residential districts within 1,320 feet of a **restricted use area**, such as an airport, put into use in the zoning review process. This provides the airport with a very significant quarter mile buffer between its property line and any proposed residential district. The planners advised Producers Realty that they would not allow the first quarter mile south of the airport to be rezoned into residential 2 or 3, even if development restriction covenants were placed on the property.
- 4 Learned that **Boone County** intends to begin its Master Plan Update process in 2007.

7C. Priority Properties

- 1 Closely monitored housing developments south and north of **146th Street**. Infrastructure is complete in all developments, with approximately 10 houses under construction on each side of the street: some model homes and some purchased by new owners.
- 2 Developed **airport operations description** and answers to frequently asked questions for the airport manager and residential developers to use to answer questions from prospective buyers.
- 3 Met with developer representatives to review **noise sensitive use permit** administration and identify steps to promote common interest in purchasers understanding the airport's rights and responsibilities.
- 4 Board has declined to **monitor filing** of noise sensitive use permits with Boone County, but developers indicate their intent to comply and some private citizens are following up to ensure that notices are attached to individual property deeds.
- 5 Observed construction of **Zionsville Elementary School** for Fall, 2007 opening.
- 6 Testified against requested variance to allow a 25 student **day care** facility to be operated north of 156th street, adjacent to airport land. Boone County approved this variance. Provided owner with additional information to consider before making financial investment in facility.
- 7 Testified against **Pittman Properties** condominiums zoning proposal as being in noise sensitive area of landing pattern. Boone County APC and Commissioners denied this request.
- 8 Worked with **Producers' Realty** on **Commercial** zoning proposal which allowed the airport to testify that the proposal was compatible with the airport. Boone County APC and Commissioners denied the request.
- 9 Worked with **Producers' Realty** on **Residential** zoning proposal to minimize incompatibility with airport operations. Testified to APC and commissioners that final proposal conflicted with outer safety zone residential guidelines, noise sensitive issues under landing pattern and wildlife attraction of retention pond. Boone County planners and APC recommended against proposal due to incompatibility of dense residential development with surrounding uses. Boone County Commissioners approved request. As filed, proposal provides quarter mile park buffer south from CR 200 S/156th Street, which reduces need for future land acquisition.