

RESOLUTION NO. 16-26

Approving an Agreement for the Airports Authority to Reimburse American Airlines for Hangar Tenant Improvements at Ronald Reagan Washington National Airport

WHEREAS, Demolition of certain hangars, and the relocation of airline leased facilities currently located in those hangars, are enabling projects necessary in order to start construction of the New North Concourse;

WHEREAS, As a result of the demolition of the hangars, American Airlines (American) will be relocating from Hangars 11 and 12 to comparable space in the South Hangar Line in Hangars 3 and 4;

WHEREAS, Staff has recommended that a reimbursement agreement be entered with American under which the airline will design and construct necessary modifications as a result of its relocation;

WHEREAS, Funding for this reimbursement agreement in an amount not to exceed \$16 million is included in the approved 2016 Capital Construction Program budget;

WHEREAS, American will be obligated under the agreement to obtain competition for the design and construction services;

WHEREAS, American will be obligated under the agreement to achieve the Airports Authority's Local Disadvantaged Business Enterprise participation goal of 25 percent;

WHEREAS, American will be required to submit originals of all paid invoices with a detailed accounting of the payments before the Airports Authority issues reimbursements; and

WHEREAS, American will ensure that title to the improvements will vest in the Airports Authority immediately upon substantial completion and acceptance by the Airports Authority; now, therefore, be it



RESOLVED, That the President and Chief Executive Officer is authorized and directed to enter into an agreement with American pursuant to which the Airports Authority will reimburse American in an amount not to exceed \$16 million for the design and construction of necessary modifications associated with American's relocation from Hangars 11 and 12 to Hangars 3 and 4 at Reagan National consistent with the terms presented to the Business Administration Committee at its September 21, 2016 meeting.

Adopted September 21, 2016


Monica R. Hargrove
Monica R. Hargrove, Secretary