

RESOLUTION NO. 19-9

Approving an Amendment to the Agreement for the Airports Authority to Reimburse American Airlines for the Design and Construction of Improvements to the Baggage System in Terminal B/C at Ronald Reagan Washington National Airport

WHEREAS, Pursuant to Resolution No. 15-19, the Airports Authority entered into an agreement (Reimbursement Agreement) with American Airlines (American), pursuant to which the Airports Authority agreed to reimburse American an amount not to exceed \$36.9 million for American's outbound baggage system project in Terminal B/C North Pier at Ronald Reagan Washington National Airport (Reagan National);

WHEREAS, Pursuant to Resolution No. 17-9, the Airports Authority amended the Reimbursement Agreement to increase American's scope of work for the design and construction of improvements to the baggage system at Reagan National and to increase the maximum reimbursement amount from \$36.9 million to \$40.2 million;

WHEREAS, Since the initial rough order of magnitude cost estimate was developed in 2015, post-award project design and due diligence efforts have identified additional needs to be included in the scope of work, including baggage handling system enhancements, relocation and installation of utilities, labor and materials, in order to construct the improvements;

WHEREAS, These additional scope of work items, totaling \$24.5 million, were not included in the initial rough order of magnitude cost estimate which was developed based on the preliminary evaluation of the existing conditions of the terminal; and

WHEREAS, The revised total cost estimate of \$64.7 million was provided by American and was reviewed by the Office of Engineering staff, and the estimate and additional scope were determined to be reflective of current market conditions; now, therefore, be it



RESOLVED, That the President and Chief Executive Officer is authorized to amend the Reimbursement Agreement to increase American's scope of work and reimbursement amount for the design and construction of improvements to the baggage system at Reagan National by \$24.5 million to a new total of \$64.7 million.

Adopted April 17, 2019

A handwritten signature in black ink that reads "Monica R. Hargrove". The signature is written in a cursive style with a horizontal line underneath the name.

Monica R. Hargrove, Secretary