

RESOLUTION NO. 20-12

Extending Two Contracts for Luggage Cart Services at Ronald Reagan Washington National Airport and Washington Dulles International Airport

WHEREAS, In 2014, following a competitive procurement process, the Metropolitan Washington Airports Authority (Airports Authority) awarded two concessions contracts, each for five-year terms, to Smarte Carte to provide luggage cart services at Ronald Reagan Washington National Airport (Reagan National) and Washington Dulles International Airport (Dulles International);

WHEREAS, The original terms of the contracts expired August 31, 2019 and October 31, 2019, respectively;

WHEREAS, Market analysis in 2019 showed that Smart Carte acquired its only competitor and is currently the only provider of luggage cart services in the United States that offers baggage cart services to the scope required at airports;

WHEREAS, Section 6.7.2 of the Contracting Manual (Manual) permits the Chief Executive Officer to grant an extension of up to 12 months of any concession contract “necessary to maintain services and revenue during periods when timely award of a new contract cannot be made before the expiration of the current contract”;

WHEREAS, In 2019, the contracts for Reagan National and Dulles International were extended through August 31 and October 31, 2020, respectively, to permit staff analysis of the contracts’ structures and terms in light of industry changes, including consolidation of potential offerors;

WHEREAS, In light of the COVID-19 pandemic and the resulting effect on passenger activity, staff recommends further extension of the contracts to allow time for additional research efforts;



WHEREAS, Smarte Carte has agreed to the proposed extensions of both contracts on a month-to-month basis not to exceed 12 months, consistent with the current contract terms; and

WHEREAS, Section 6.7.2 of the Manual requires the Board of Directors to approve concessions contract extensions that exceed 12 months; now, therefore, be it

RESOLVED, That the President and Chief Executive Officer is authorized to extend the current contracts with Smarte Carte for Reagan National and Dulles International on a month-to-month basis for up to twelve months.

RECORDED VOTE:

Members Present	<u>13</u>
Members in Favor	<u>13</u>
Members Against	<u>0</u>
Members Abstaining	<u>0</u>

Adopted July 15, 2020



Monica R. Hargrove, Secretary