

**A RESOLUTION
BY TRANSPORTATION COMMITTEE**

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A SECOND AMENDMENT TO THAT CERTAIN REIMBURSABLE AGREEMENT WITH THE ATLANTA AIRLINES TERMINAL CORPORATION CONCERNING THE FIRE DETECTION/ALARM SYSTEM IMPROVEMENTS, FIRE SPRINKLER SYSTEM REPLACEMENT AND UPGRADES AND REPLACEMENT OF THE CEILING SYSTEM IN THE COMMON USE AREAS OF THE CONCOURSES IN THE CENTRAL PASSENGER TERMINAL COMPLEX AT HARTSFIELD JACKSON ATLANTA INTERNATIONAL AIRPORT, FOR THE PURPOSE OF SETTling A PASS-THROUGH CLAIM FROM A LOWER TIER SUBCONTRACTOR, EQUITY ELECTRIC, INC. IN THE AMOUNT OF \$550,000; TO BE CHARGED TO AND PAID FROM EXISTING FUNDS WITHIN FUND, ACCOUNT AND CENTER NO. 2H27 (2000 AIRPORT REVENUE BOND FUND) 574001 (FAC. OTHER THAN BUILDINGS) R21E603493CG (FIRE SUPPRESSION COMPLETION).

WHEREAS, the City of Atlanta ("City"), as owner and operator of the Hartsfield-Jackson Atlanta International Airport, has entered into certain Lease Agreements, dated March 22, 1978, as amended with various airlines serving the Airport, which covers the planning, design, development, construction, maintenance and operation and expansion of the CPTC at the Airport, with the City having responsibility for capital replacement items; and

WHEREAS, the Contracting Airlines formed the Atlanta Airlines Terminal Corporation ("AATC") to manage and operate the jointly leased and common use areas of the CPTC on behalf of the Airlines, collectively; and

WHEREAS, the City previously entered into a Reimbursable Agreement with AATC concerning certain fire sprinkler/alarm system improvements, fire system replacements and upgrades and the replacement of the ceiling system in certain of the Concourses at the Airport, in the total amount of \$17,000,000; and

WHEREAS, subsequently, the Reimbursable Agreement was amended by that certain First Amendment to add additional scope to the Project in the total amount of \$57,135,000, including the addition of lighting, heating ventilation, air conditioning and paging systems throughout Concourses T, A, B, C and D of the Airport; and

WHEREAS, during the Project, a claim by Equity Electric, Inc., a lower tier subcontractor, in the approximate amount of \$1.5 million was tendered to the City for resolution; and

WHEREAS, on October 22, 2007, various parties involved in this project mediated the Equity Electric, Inc. claim and reached a resolution pursuant to which Equity Electric, Inc. would be paid \$550,000 in full settlement of the claim; and

WHEREAS, there are funds available within the existing Reimbursable Agreement with AATC to pay the \$550,000; and

WHEREAS, in order to effectuate the settlement of the claim, the Reimbursable Agreement between the City and AATC will need to be amended to make a provision for the settlement payment to Equity Electric, Inc. of such sum;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF ATLANTA, GEORGIA, that the Mayor is authorized to execute on behalf of the City of Atlanta a Second Amendment to Reimbursable Agreement with AATC in amount of \$550,000, for the purpose of effectuating the settlement of the Equity Electric, Inc. claim and to execute any such further documents or instruments necessary to fully consummate such settlement, with the cost to the City to be charged to and paid from funds currently existing within Fund, Account and Center No. 2H27 (2000 Airport Revenue Bond Fund) 574001 (Fac. Other Than Buildings) R21E603493CG (Fire Suppression Completion).

BE IT FURTHER RESOLVED, that the City Attorney is directed to prepare the Second Amendment to Reimbursable Agreement for execution by the Mayor, as well as any such further documents or instruments necessary to effectuate the intent of this Resolution and the settlement of the Equity Electric, Inc. claim.

BE IT FINALLY RESOLVED, that the Second Amendment to Reimbursable Agreement and any other documents or instruments executed in connection with the transaction contemplated by this Resolution, will not become binding upon the City, and the City will incur no obligation under them until each one, as appropriate, is executed by the Mayor, attested to by the Municipal Clerk, approved by the City Attorney as to form and delivered to the appropriate party in the settlement of the Equity Electric, Inc. claim.

Part II: Legislative White Paper: (This portion of the Legislative Request Form will be shared with City Council members and staff)

A. To be completed by Legislative Counsel:

Committee of Purview:

Caption:

Council Meeting Date:

Requesting Dept.:

FAC Confirmed by:

B. To be completed by the department:

1. Please provide a summary of the purpose of this legislation (Justification Statement).

Example: The purpose of this legislation is to anticipate funds from a local assistance grant to purchase child safety seats.

The purpose of this Legislation is to authorize a second Amendment to the AATC Fire Detection/Alarm System Improvements, Fire Sprinkler System Replacement and Upgrades and Replacement of the Ceiling System in the CPTC

2. Please provide background information regarding this legislation.

Example: The task force of homelessness conducted a study regarding homelessness, its impact and consequences on the City. This resolution reflects the Mayor's desire to open a twenty-four hour center that will respond to the needs of the homelessness in Atlanta.

The City of Atlanta previously entered into a Reimbursable Agreement with AATC concerning certain fire sprinkler/alarm system improvements, fire system replacement and upgrades and replacement of ceiling system in certain of the Concourses at the Airport, in the total amount of \$17,000,000.00.

Subsequently, the Reimbursable Agreement was amended to add additional scope to the Project in the amount of \$57,135,000.00 including the addition of lighting, heating ventilation, air conditioning and paging systems throughout Concourses T, A, B, C, and D.

During the Project, a claim by Equity Electric, a lower tier subcontractor, in the approximate amount of \$1.5 million was tendered to the City of Atlanta for resolution. On October 22, 2007, various parties involved in the Project mediated the Equity Electric claim and reached a resolution which Equity Electric would be paid \$550,000.00 in full settlement of the claim....

3. If Applicable/Known:

- (a) **Contract Type (e.g. Professional Services, Construction Agreement, etc):** Amendment
- (b) **Source Selection:** N/A
- (c) **Bids/Proposals Due:** N/A
- (d) **Invitations Issued:** N/A
- (e) **Number of Bids:** N/A
- (f) **Proposals Received:** N/A
- (g) **Bidders/Proponents:** N/A
- (h) **Term of Contract:**

4. Fund Account Center (Ex. Name and number): 2H27 Airport Revenue Bond Fund, 574001, Fac. Other Than Buildings, R21E603493CG, Fire Suppression Completion.

Fund: _____ **Account:** _____ **Center:** _____

5. Source of Funds: Example: Local Assistance Grant

6. Fiscal Impact: N/A

Example: This legislation will result in a reduction in the amount of _____ to Fund Account Center Number _____.

7. Method of Cost Recovery:

Examples:

- a. Revenues generated from the permits required under this legislation will be used to fund the personnel needed to carry out the permitting process.*
- b. Money obtained from a local assistance grant will be used to cover the costs of this Summer Food Program.*

This Legislative Request Form Was Prepared By: DOA Law

TRANSMITTAL FORM FOR LEGISLATION

TO: MAYOR'S OFFICE

ATTN: GREG PRIDGEON

Dept.'s Legislative Liaison: Anita Williams

Contact Number: 404-530-6600

Originating Department: Aviation

Committee(s) of Purview: Transportation

Chief of Staff Deadline: 10/29/07

Anticipated Committee Meeting Date(s): 11/14/07

Anticipated Full Council Date: 11/19/07

Commissioner Signature: *Maudslayi*

CAPTION

A RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE A SECOND AMENDMENT TO THAT CERTAIN REIMBURSABLE AGREEMENT WITH THE ATLANTA AIRLINES TERMINAL CORPORATION CONCERNING THE FIRE DETECTION/ALARM SYSTEM IMPROVEMENTS, FIRE SPRINKLER SYSTEM REPLACEMENT AND UPGRADES AND REPLACEMENT OF THE CEILING SYSTEM IN THE COMMON USE AREAS OF THE CONCOURSES IN THE CENTRAL PASSENGER TERMINAL COMPLEX AT HARTSFIELD JACKSON ATLANTA INTERNATIONAL AIRPORT, FOR THE PURPOSE OF SETTling A PASS-THROUGH CLAIM FROM A LOWER TIER SUBCONTRACTOR, EQUITY ELECTRIC, INC. IN THE AMOUNT OF \$550,000; TO BE CHARGED TO AND PAID FROM EXISTING FUNDS WITHIN FUND, ACCOUNT AND CENTER NO. 2H27 (2000 AIRPORT REVENUE BOND FUND) 574001 (FAC. OTHER THAN BUILDINGS) R21E603493CG (FIRE SUPPRESSION COMPLETION).

FINANCIAL IMPACT (if any) \$550,000

Mayor's Staff Only _____

Received by CPO: _____ Received by LC from CPO: _____
(date) (date)

Received by Mayor's Office: 10/29/07 *DW* Reviewed by: *[Signature]*
(date) (date) (date)

Submitted to Council: _____
(date)