

Operation and Management Agreement

This Operation and Management Agreement (“Agreement”) is entered into between the City of Atlanta ("City") and The Atlanta Airlines Terminal Corporation ("AATC") effective as of this _____, day of _____ 2016.

BACKGROUND:

Whereas, the City, as owner and operator of Hartsfield-Jackson Atlanta International Airport ("Airport") has, as one of its strategic imperatives, a program to dramatically increase cargo operations at the Airport; and

Whereas, a common reason airlines may have for declining to start new air service, and even the cessation of existing air service, revolves around trucking congestion inherent to cargo design facilities, as well as loading and unloading relative to cargo freighter airline schedules; and

Whereas, airlines at the Airport formed AATC to manage and operate the jointly leased common areas of the Airport; and

Whereas, due to AATC’s relationship with the airlines and the Airport, as well as AATC’s experience and knowledge regarding Airport cargo needs, AATC has been deemed a Special Procurement pursuant to Section 2-1191.1 City of Atlanta Code of Ordinances for purposes of operating and managing Dock-Traffic Cargo Control Services at the Airport; and

WHEREAS, the award and execution of this Agreement is authorized by Resolution No. _____, adopted by the City’s Council on _____, 2016, and approved by the City’s Mayor on _____, 2016, a copy of which is attached to this Agreement as Exhibit _____; and

NOW, THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL TERMS AND CONDITIONS hereinafter set forth, and described, subject to the following terms and conditions the City and AATC agree as follows:

1. Term. This agreement will commence on the effective date and end on _____, (the “Term”).
2. Services. During the Term AATC shall provide the Services, as defined below to the City as follows:
 - a) act as Airport’s sole point of contact with software hosting Assa-Abloy relative to Airport-branded dock-traffic control system (the “Intelli-Q”) in Airport’s south cargo area, including acquisition, installation, maintenance and all

- incidental ongoing viability in connection with Intelli-Q; and
- b) ongoing management and operation of Intelli-Q in Airport's south cargo area; and
- c) provide all personnel to operate Intelli-Q, as well as maintain annual software hosting fee to Assa-Abloy in connection with Intelli-Q; and
- d) operate Intelli-Q 24 hours a day, 7 days per week at an inbound check-in station and staging lot designed and built by the Airport and as more particularly described on Exhibit ___ attached ("Intelli-Q Lot"); and
- e) staff a check-in station with sufficient personnel—at least one to two persons—sufficient to effectively and efficiently control dock traffic, i.e., by either assigning a dock to incoming truck traffic, or stage and recall parked trucks for dock assignment at Intelli-Q Lot; and
- f) interact, as needed, with Intelli-Q customers, at the Airport including lessees located within Southside Cargo Buildings A, B, C, and D; and
- g) generate monthly Intelli-Q reports containing, but not limited to: 1) number of truck dock assignments; 2) number of trucks staged; 3) average truck in-queue processing time; and average time staged; and
- h) maintain and repair the Intelli-Q Lot, including entranceway and check-in station in good and clean repair including, but not limited to sweeping, garbage collection, port-a-potty provision, snow removal and lighting; and
- i) provide and keep all records in connection with providing the Services at the Airport for up to _____ years after termination of this Agreement; and
- j) provide City complete access to the Intelli-Q Lot at all times; and
- k) provide additional services from time to time as requested by the Airport.

3. Compensation. The City agrees to pay AATC during the Term, a not to exceed amount of _____ for the Services, to be paid as follows:

- a) reimbursable costs to AATC of \$300,000.00 for the acquisition of all components and installation requisite to the Intelli-Q system; and
- b) a management fee to AATC of \$ _____ to be paid on _____.

4. Indemnification. AATC shall indemnify and hold City, its agencies and its and their respective officers, directors, employees, advisors, and agents, successors and permitted assigns ("City Indemnitees"), harmless from any

losses, liabilities, damages, demands and claims, and all related costs (including reasonable legal fees and costs of investigation, litigation, settlement, judgment, interest and penalties) arising from third party claims or actions based upon:

- a) AATC's or AATC's employees or agent's ("AATC's Personnel") performance, non-performance or breach of this Agreement; and
- b) compensation or benefits of any kind, by or on behalf of AATC Personnel, or any subcontractor, claiming an employment or other relationship with AATC or such subcontractor (or claiming that this Agreement creates an inherent, statutory or implied employment relationship with City or arising in any other manner out of this Agreement by such AATC Personnel or subcontractor); and
- c) any actual, alleged, threatened or potential violation of any applicable laws by AATC or AATC Personnel, to the extent such claim is based on the act or omission of AATC or AATC Personnel, excluding acts or omissions by or at the direction of City; and
- d) death of or injury to any individual caused, in whole or in part, by the tortious conduct of AATC or any individual or third party or individual, partnership, agent, association, corporation, limited liability company, firm or other form of business enterprise, trustee, executor, administrator, successor, permitted assign, legal representative and/or recognized legal entity ("Person") acting for, in the name of, at the direction or supervision of or on behalf of AATC; and
- e) damage to, or loss or destruction of, any real or tangible personal property caused, in whole or in part, by the tortious conduct of AATC or any Person acting for, in the name of, at the direction or supervision of or on behalf of AATC; and

5. Insurance and Bonding Requirements. AATC shall procure and maintain, in effect throughout the Term of this Agreement, insurance coverage and bonds as set forth in Exhibit _____ attached.

6. Notices. All notices, consents, requests, demands and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if delivered in person or mailed, first class, certified, or registered mail with postage prepaid, or sent by nationally recognized overnight courier or by facsimile (upon confirmation of receipt) as follows.

To AATC:

To the City:

7. Entire Agreement. This Agreement supersedes all prior discussions and agreements between the Parties with respect to the subject matter hereof. This Agreement shall not be modified or amended in any respect except by written instrument executed by or on behalf of the Parties in the same manner as this Agreement is executed.

8. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, and all of which together shall be deemed to be one and the same instrument. Delivery of a facsimile or electronic copy of an executed copy of this Agreement shall be effective to bind the executing Party. Each Party so executing this Agreement shall promptly deliver an original executed counterpart to the other signatories.

9. Binding Effect. This Agreement shall inure to the benefit of and be binding upon the Parties hereto, their successors and assigns.

10. No Assignment. Notwithstanding anything in this Agreement to the contrary, no Party to this Agreement may assign or transfer all or any part of any right, obligation, or interest under this Agreement. Any attempted assignment or transfer shall be null, void and without effect.

11. Severability. In the event any provision or portion of this Agreement is held by any court of competent jurisdiction to be invalid or unenforceable, such holdings shall not affect the remainder hereof, and the remaining provisions shall continue in full force and effect to the same extent as would have been the case had such invalid or unenforceable provisions or portion never been a part hereof.

12. Modification/Amendment. This Agreement may be amended only in a signed writing by mutual agreement of the Parties.

13. Waiver. Waiver of any term or condition of this Agreement shall be effective if in writing and shall not be construed as a waiver of any subsequent breach or waiver of the same term or condition, or a waiver of any other term or condition of this Agreement.

14. Governance. This Agreement shall be governed by the laws of the State of Georgia.

15. Termination for Convenience. At any time during the Term of this Agreement, the City may terminate this Agreement for convenience upon thirty (30) days' written notice of such termination to AATC.

Atlanta Airlines Terminal Corporation

City of Atlanta

By: _____

Name: Kofi Smith
Title: Executive Director

Mayor

Attest: _____
Corporate Secretary/Assistant Secretary

Attest:

Municipal Clerk

Approved:

Aviation General Manager

Approved as to Form:

City Attorney

Exhibit 1

