

Memorandum



Date: June 21, 2005

To: Honorable Chairman Joe A. Martinez
and Members, Board of County
Commissioners

Agenda Item No. 8(A)(1)(E)

From: George M. Burgess
County Manager

Subject: Miami International Airport-North Terminal Development

This resolution was amended by the Regional Transportation Committee on May 26, 2005 to remove the reference to the modification of the Aviation Department's Capital Improvement Program budget increase for the North Terminal Development Project, and to specify that the County Manager is authorized to utilize certain existing design professional agreements for services that may be needed to complete the NTD Program.

Recommendation

It is recommended that the County assume responsibility for the completion of the North Terminal Development Project (NTD) in order to control costs and complete the NTD as expeditiously as possible. In order to accomplish this end, it is recommended that the Board approve (a) the Fourth Amendment to the Lease, Construction and Financing Agreement between American Airlines, Inc. and the County; (b) the Claims Administration Agreement, and (c) the First Amendment to the American Airline Use Agreement (AUA). It is also recommended that the Board approve the First Amendment to the Terminal Rents and User Fees Rate-Setting Methodologies. The documents recommended for approval by the Board delineate the agreements to accomplish this end. Finally, it is recommended that the Board waive the requirements of Resolution R-377-04 as being in the best interest of the County.

Background

NTD Development Concept

In 1989 American decided to schedule traffic from its large domestic U.S. route system through Miami International Airport (MIA) and into the Caribbean and Central/South America, resulting in the creation of an international passenger hub in MIA. The North Terminal Development Program (NTD) evolved in response to that growth and commitment to improve the level and quality of services to passengers. As a result, American worked with MDAD to develop the concept plan for the NTD. Consequently, in October 1995, the County and American entered into a Lease, Construction and Financing Agreement (LCF), which authorized American to design and construct the North Terminal Improvements.

Notwithstanding the substantial changes in the aviation industry since the mid-1990's, an international passenger hub facility remains as a critical element for the strategic future of MIA. MIA continues to distinguish itself as the preeminent international gateway for Latin American visitors. However, MIA also continues to face growing competition for this traffic from other airports such as Atlanta, Dallas/Fort Worth and Houston, as they open new international facilities. Thus, it is essential that we enhance our facilities.

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When the NTD is complete, the new multi-level terminal is projected to house approximately 65% of the passenger volume at MIA. The facility will be approximately 1.3 miles long and one of American's most important hubs. The detailed program that resulted from American's design and planning efforts in the early 1990's called for the reconfiguration of over one-half of the existing terminal area (spanning between Terminals A and D), with 47 gates capable of accommodating fully independent domestic and international arrivals at each gate. This resulted in a very complex design challenge requiring the weaving of new and existing structures and systems into an integrated architectural design. The total NTD plan area encompasses approximately 3.2 million square feet, of which 1.9 million square feet are new construction and the balance being renovation areas. Additional improvements include 47 international gates (24 wide-body); a three-level Regional Commuter Facility (American Eagle) with two gates and additional parking for 17 regional jets; a ramp control tower; 171 main ticket counter positions (900 ft.); a new Federal Inspection Services (FIS) facility with 104 stations sized to process 4,000 passengers per hour; 1.4 miles of moving walkways; 12 domestic and 12 international 240-ft.-long bag claim systems; an Automated People-Mover (APM) system with four stations (two tracks, five four-car trains); 32 curbside check-in positions; new and relocated utilities and state-of-the-art fueling facilities.

NTD Development Program

The NTD constitutes the largest program in the Aviation Department's Capital Improvement Program (CIP) and it is by far the most complex. The phased NTD development plan has to be implemented in a fully operational airport. As currently programmed, Concourses B and C will be demolished, Concourse D doubled in length, and the existing terminal doubled in width. To add to the complexity, the overall NTD program was segregated into 35 separate design packages and 84 individual and distinct construction packages, all interrelated in such a way that any delays to any of them affected the others.

It was recognized from the beginning of the planning process that the design and construction plans would require complex phasing, scheduling, and coordination issues associated with maintaining the then existing 42 gate-operation while minimizing the disruption to the ongoing passenger and baggage operations. To that end, the County and American entered into the LCF for American to design and construct the NTD and the County to pay the costs thereof as a tenant improvement project. American retained Corgan Associates (Corgan) and the Turner-Austin Airport Team (TAAT) to act as Program Manager (PM) and Construction Manager (CM), respectively, along with other construction contractors and design professionals to administer and coordinate the design and construction of the NTD.

Previous Amendments to the LCF

The original LCF approved by the Board in 1995, provided a not-to-exceed cost of \$974,900,000. In July 1999, the parties agreed to the First Amendment to the Agreement which increased the scope of the work and the not-to-exceed cost to \$1,304,900,000. In January 2002, the parties agreed to the Second Amendment to eliminate the 250 flights per day requirement in the LCF. Finally, in April 2002 the County and American entered into the Third Amendment which increased the not-to-exceed cost by \$211 million to a new budget ceiling of \$1,515,900,000.

Current Status of the NTD Project

Over the course of the summer in 2004, I became increasingly concerned with the status of the NTD, particularly with the lack of real progress and increasing cost-overruns. As a result, and after extreme frustration with the lack of progress in resolving project management issues, on October 7, 2004 I informed the Board that I was transferring the oversight and administrative responsibilities of the NTD project to Dr. Carlos Bonzon. In doing so, I specifically tasked Dr. Bonzon with addressing all outstanding issues impacting the NTD project, including a realistic evaluation of the completion schedule and a thorough reevaluation of the cost-to-complete taking into account the state-of-affairs, contractual issues and construction disputes and delay claims. I also requested the preparation of updated construction cost estimates based on the anticipated complexity of the remaining work taking into account current and anticipated market conditions.

A review of the status of the NTD reveals that notwithstanding the additional controls that had been put in place via the Third Amendment to the LCF, continuing design, coordination, and construction problems, Transportation Security Administration (TSA) requirements imposed after September 11, 2001 (e.g., changes requiring 100% baggage screening and extensive security screening and badge requirements for construction personnel), along with insufficient project management and controls have resulted in substantial schedule delays and, as a result, significant cost overruns and construction delay claims. Furthermore, a detailed review of cost impacts reveals that a significant proportion of the cost overruns are due to delays/time extensions to the program completion. This has been documented via the two reports entitled "North Terminal Development - Review of Schedule Deviations" dated March 8, 2004 and February 2, 2005. These reports were prepared by the Consulting Engineers (HNTB) upon the request of MDAD. Some of the salient factors causing these delays include:

- The NTD is a project of enormous complexity that would be difficult even under ideal circumstances. The project is incredibly large and complex, requiring

precise coordination of subordinate projects, engineering details and the interdependent schedules of these projects.

- The enormous size of the program and the decision to use multiple design professionals and multiple contractors to produce work that would ultimately integrate into a single operating facility.
- TSA mandated requirements for an automatic Explosives Detection System (EDS) that resulted in a 14 month delay.
- Delays due to failure of MDAD's contractor to install the fuel lines on a timely basis.
- Significant schedule flaws in the approved baseline schedule due to inaccurate program planning.
- Unforeseen conditions and conflicting utilities not previously identified
- The change from the fast-track trade contracting method of delivering construction to the general contractor method. This change was in response to the unsatisfactory performance of the trade contracting.
- Failure to provide time/activities for the required coordination with FPL and BellSouth for the relocation of an electrical vault and telecommunications rooms in the CD contract which was discovered after commencement of construction.
- Numerous design errors and omissions by design professionals and insufficient coordination and mismanagement of the work by contractors participating in the NTD.

NTD Construction Claims

At the present time, claims actually submitted by trade contractors and their subcontractors and suppliers, through Turner-Austin to American Airlines, and claims submitted by contractors under direct contract to American exceed \$151 million in face value. There is an additional exposure in Reservation of Rights in connection with construction claims in excess of \$18 million in face value. Some of the foregoing claims are already in formal litigation. Additional trade contractor claims are anticipated. We anticipate that these claims can be ultimately resolved for substantially less than their "face value." The net exposure will also be reduced to the extent that the County is able to recover costs attributable to design errors and other actions of design professionals although any recovery will likely be limited to the limits of applicable insurance policies, the Construction Manager, and the Program Manager.

During the past 6 months, American, MDAD and the Consulting Engineers (HNTB) have made extensive coordinated efforts to review and resolve change order requests and claims that have been recently submitted to the County. Resolution of these

outstanding claims and payment of allowable costs therefore will remain as a special focus of MDAD. As part of the claim review process, MDAD through Dade Aviation Consultants (DAC) has retained Alpha Corporation, a nationally recognized construction claims advisory firm. Alpha's responsibilities include the review of Time Impact Analyses (TIAs) submitted by contractors attempting to justify their delay claims as well as the review and analysis of other documentation relating to Change Orders and claims. In a companion item on this Agenda, I am recommending that this Board to approve a transfer of the contract to the County to enable MDAD to task Alpha with validating and/or preparing independent analyses as necessary to evaluate delay, inefficiency, scheduling and cost analysis, provide determination of impacts and damages, provide assessment of liabilities and allocation of responsibilities and serve as an expert witness in connection with any litigation related to claims and/or the recovery of damages by the County and MDAD.

NTD Completion Approach

Recognizing the complexities and matters delineated above, it is in the best interest of the County to take over and complete the NTD. The continuing delay in estimated completion of the project is of concern to our community and the flying public. Furthermore, as the capitalized interest period on the bonds issued to date continues to expire, debt service requirements will continue to increase and rates and charges will suffer corresponding increases without the anticipated commensurate operational benefits.

MDAD will set up a management team consisting of key MDAD staff supplemented by DAC and/or other Consultants as needed. This approach has been extremely successful in the on-going construction of the South Terminal. Each design professional, for the design packages remaining to be bid for construction, will be retained to provide services during construction. Estimating services will continue to be provided by the firm U.S. Cost, Inc., either as a sub-consultant to DAC or as a direct assignment to MDAD after Board approval. As mentioned above, it is recommended to retain Alpha, subject to Board approval, to provide expert support for resolution of claims and litigation. All contracts assumed from American will be dealt with on a case by case basis and will be closed out as appropriate. Every key design, procurement and construction contract will be under the direction of a Project Manager supervised and assigned by MDAD. In addition, authorization is requested to use the existing fee balance in the existing design professional agreements of Arquitectonica International Corporation, Perez and Perez Architects Planners, Inc., The Russell Partnership, Inc., Sequeira & Gavarrete, P.A., Kimley-Horn & Associates, Inc., Ronald E. Frazier & Associates, P.A., and T.Y. Lin International/H.J. Ross Associates for services that may be needed towards the completion of the NTD Program.

In accordance with Section 255.20(c) of the Florida Statutes, MDAD is currently exploring one of the options available for completing the construction of the NTD by negotiating a Managing General Contractor contract with Parsons-Odebrecht Joint Venture (POJV), the sole bidder for the NTD Consolidated contract previously advertised by American. Another option considered is to advertise for competitive bids from General Contractors for all remaining work in the NTD.

With respect to existing permits, American has agreed to cooperate with the County to effect the transfer or close out of permits, as necessary. In addition, all remaining work for the NTD Program will be considered a continuation of existing permits and to be in compliance to the South Florida Building Code and the Life Safety Master Plan jointly agreed to between the Building department, Fire Department and the MDAD.

Completing the Project: A Realistic Schedule

As the Board is aware, the NTD is being completed in phases with gates gradually being placed in operation as they are completed. At the present time, nine (9) new gates are already in service. Even though current projections show that the overall NTD program (all 48 gates) could be substantially completed under the best case scenario in May 2008, a more realistic substantial completion date is March 2009. Needless to say, every attempt will be made to accelerate the completion as much as possible. Two areas of concern for remaining work are:

- Much of the construction work needs to take place in the busiest part of the airport and must be scheduled around operational concerns
- The work is being performed in a building constructed over the past 50 years with much of the early work inadequately documented in as-built drawings. Contractors discovered the presence of numerous existing underground and building systems, including water, sewer, power and communication lines that conflicted with new construction but were not identified on the construction documents and therefore not anticipated and which often required redesign and additional time to perform additional construction.

Reassessment of Estimate at Completion (EAC)

In anticipation of the potential assumption of responsibility for the construction of the NTD, MDAD, Dade Aviations Consultant (DAC) and American, together with the Consulting Engineers HNTB have performed a comprehensive reassessment of the cost estimates at completion of the NTD utilizing the realistic completion schedule described above. As a result of this reassessment, it has been concluded that based on the schedule and cost exposures for known and potential claims, as well as the

remaining work, the final cost of the NTD could be as much as \$348 million above the previously budgeted amount. It is important to note that this increase includes the \$105 million contribution from American. There is also a cost impact to the Terminal Wide Improvements CIP project (\$30.2 million). It should be pointed out that while this estimate is conservative, it takes into account schedule risks in a very complex airport operating environment. Increases to date can be summarized as follows:

- Modifications to incorporate new TSA requirements, including 100% baggage screening requirements, TSA support spaces, new TSA security checkpoints, ETC reconciliation room (\$95.2 million).
- Adjustments to future project construction estimates based on current local and national market conditions (\$88.3 million).
- Extension of Program and Construction Management functions due to extension of program completion schedule (\$68.1 million).
- Extension of, OCIP and builder's risk, trade staffing, and potential risk in the program schedule (\$51.9 million).
- Schedule impacts to other CIP projects including the Terminal Wide Improvements, Security and Business Systems (South and Central) contracts (\$30.3 million)
- Allowance for past claims for extended overhead, liquidated indirect costs for trade and general contractor, fee for claims consultants (\$83 million).

Every attempt will be made to effectuate cost-savings and cost recovery in the areas identified above through schedule analysis to identify possible acceleration scenarios, aggressive claims evaluation and negotiation, and reimbursements from TSA.

Responsibilities for Cost Overruns - Cost Recovery by the County

While I believe that a portion of the projected cost overruns are due to reasons outside the control of American, it is clear based on the above that different parties that have participated in the NTD are responsible for causing cost overruns to some degree due to non-performance and/or breaches of contract requirements. It is my intent to pursue recovery for the County by any available means, including litigation as necessary.

American's Contribution to Project Costs

As a result of negotiations over the last five months, American has agreed to contribute \$105 million toward the costs of settling claims and completing the NTD. MDAD, in close coordination with HNTB, has analyzed the cost overruns through January, 2005 and I believe that the amount to be contributed by American is equitable given the

Honorable Chairman Joe A. Martinez
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factors and causes for cost overruns to date as well as the responsibilities and liabilities of American under the LCF. American's contribution will be paid over 10 years as delineated in the Claims Administration Agreement between American and the County and acknowledged by American in the First Amendment to American's Airline Use Agreement.

In recognition of the financial difficulties of all airlines in today's highly competitive environment, including that of American, the County has reluctantly agreed to accept the \$105 million over a ten-year period. Such an installment payment is not without some risks, including the risk that American could seek bankruptcy protection and reject its obligation to pay the \$105 million to the County. Recognizing this reality, if American fails to make any payment according to the above schedule, the Amendment to the Airline Use Agreement provides that the County shall be entitled to recover the unpaid balance of the \$105 million payment through a surcharge due by American for its use of facilities at MIA. American has agreed to the imposition of a surcharge on its rates and charges otherwise payable under the current charging methodology for its use of the MIA. The surcharge should override any effort by American or its creditors to prevent the payment of the \$105 million, although it would not afford the County protection in the event American ceases to operate out of MIA. Although we believe that the Agreements and documents before the Board today should assure the County of American's payment of the \$105 million through the surcharge, the concept of the surcharge in this circumstance has not been tested in the bankruptcy courts.

With the contribution made over time, MDAD will issue Aviation Revenue Bonds as necessary to pay the costs of the NTD as incurred and use future contribution payments to partially pay the principal payments due on those bonds. On May 25, 2005, the Aviation Department consulted with the Miami Airport Affairs Committee (MAAC) and all other airlines operating at MIA regarding the amendment to the Methodologies that imposes the surcharge on American. While cost overruns are always of concern to the Rating Agencies, I believe that American's agreement to directly contribute toward the costs of the NTD in addition to its payment of the standard rates and charges will be viewed positively. As the Board is also aware, TSA has already agreed to pay MDAD \$20 million as a partial reimbursement towards the cost of the EDS at MIA. MDAD will pursue reimbursement of at least 75% of the total cost of this unfunded federal mandate. Also, it is important to remember that the airlines fund the costs of the CIP, not local property tax payers. American will contribute at least 60% of the net costs beyond the \$105 million contribution through rates and charges payments made to MDAD.

Fourth Amendment to LCF

The Amendment sets forth in detail the assignment by American to, and assumption by the County of, American's obligations for the design and construction of the NTD. It should be noted that the County will not assume American's right, title and interest to any agreements with TAAT.

The County agrees to consult with American regarding the Phasing Plan and to make commercially reasonable efforts to accommodate American's reasonable and significant operational needs during construction of the NTD. In this regard, the County specifically agrees to:

- Complete the enhanced baggage delivery system including the extension of the system throughout the entirety of Concourse A,
- Demolish Concourse B
- Complete the Automated People Mover as currently planned with four (4) stations, and
- Design and construct a three-level, two-gate regional commuter facility.

As a result of the transfer, all of the rights and obligations of American set forth in Article I of the LCF, which is the construction portion of the Agreement, are terminated except to the extent necessary by the County for the completion of the NTD. The remaining portions of the LCF including the Lease of the Premises remain in effect.

American has agreed to cooperate with the County in the defense of any administrative or legal proceeding to the terms of the LCF, this Amendment, the Claims Administration Agreement or the AUA, or if MIA's finances or rate base is affected as a result of such challenge.

American has agreed that all costs arising out of the LCF and this Amendment, except for American's own defense costs, the Claims Administration Agreement, the construction of the NTD, and resolution of any disputes relating to the NTD that exceed the amount of the Payment and proceeds of insurance received by the County pursuant to the Claims Administration Agreement, the LCF or this Amendment, are proper costs of the Airport and are eligible for inclusion in the Airport's rate base.

Claims Administration Agreement

As part of the transfer of responsibility for the construction of the NTD, the County has agreed to establish a Claims Reserve Fund, funded by American's annual contribution

as set forth in Schedule A of the Claims Administration Agreement, for the purpose of paying those claims asserted against or allocable to American in connection with the

NTD construction. While established for the payment of claims, the Agreement also permits any funds remaining in the Claims Reserve Fund to be applied to the Project after all such claims are resolved, or if the County believes the amounts in the Fund are sufficient to pay the claims made against or allocable to American.. In order to pay claims asserted or allocated against American in excess of the \$105 million contribution, the County may either self-insure or purchase an Insurance Policy for an additional \$100 million. In no event shall the County have any obligation to pay claims against American in excess of the amount of American's contribution and the insurance provided in the Claims Administration Agreement. The current intention is to self-insure for such amount since \$100 million in such insurance would likely carry a premium in the range of \$65 million.

In connection with the Agreement, the County and American have also released each other from any and all past, present and future claims each may have against the other.

First Amendment to the AUA and First Amendment to Terminal Rents and User Fees Rate-Setting Methodologies

In order to further secure American's \$105 million contribution, American has executed an Amendment to its Airline Use Agreement (AUA) with American consenting to a modification of the equalized rates and charges methodology as provided in the First Amendment to Terminal Rents and User Fees Rate Setting Methodologies ("Methodologies") that is a part of the AUA. This amendment to the Methodologies imposes a surcharge upon American to recover any unpaid amounts committed to be paid by American. The amendment to the Methodologies is subject to the consent of the Trustee under the Amended and Restated Trust Agreement of 2002.


Assistant County Manager



MEMORANDUM

(Revised)

TO: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

DATE: June 21, 2005

FROM: Robert A. Ginsburg
County Attorney

SUBJECT: Agenda Item No. 8(A)(1)(E)

Please note any items checked.

- ☐ "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required.
- ☐ Statement of fiscal impact required
- ☐ Bid waiver requiring County Manager's written recommendation
- ☐ Ordinance creating a new board requires detailed County Manager's report for public hearing
- ☐ Housekeeping item (no policy decision required)
- ☐ No committee review

Approved _____ Mayor

Veto _____

Override _____

Agenda Item No. 8(A)(1)(E)

6-21-05

RESOLUTION NO. _____

RESOLUTION RELATING TO MIAMI INTERNATIONAL AIRPORT; APPROVING FOURTH AMENDMENT TO LEASE CONSTRUCTION AND FINANCING AGREEMENT BETWEEN MIAMI-DADE COUNTY ("COUNTY") AND AMERICAN AIRLINES, INC. ("AMERICAN"); APPROVING CLAIMS ADMINISTRATION AGREEMENT BETWEEN COUNTY AND AMERICAN; APPROVING THE FIRST AMENDMENT TO AMERICAN'S AIRLINE USE AGREEMENT; APPROVING FIRST AMENDMENT TO THE TERMINAL RENTS AND USER FEES RATE-SETTING METHODOLOGIES; AUTHORIZING COUNTY MANAGER TO EXECUTE SUCH AGREEMENTS AND EXERCISE THE TERMINATION AND OTHER PROVISIONS CONTAINED THEREIN; AUTHORIZING COUNTY MANAGER TO UTILIZE CERTAIN EXISTING DESIGN PROFESSIONAL AGREEMENTS FOR SERVICES THAT MAY BE NEEDED TO COMPLETE THE NTD PROGRAM; AND WAIVING THE REQUIREMENTS OF RESOLUTION NO. R-377-04

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum and documents, copies of which are incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board:

Section 1. Approves the Fourth Amendment to the Lease, Construction and Financing Agreement with American Airlines Inc. ("American"), the Claims Administration Agreement with American and the First Amendment to American's Airline Use Agreement, all in substantially the form attached hereto and made a part hereof; and authorizes the County Manager to execute such agreements following execution by American and approval by the County Attorney's Office and to exercise the termination and other provisions contained therein.

Section 2. Approves the First Amendment to the Terminal Rents and User Fees Rate-

Setting Methodologies in substantially the form attached hereto and made a part hereof; and

Section 3. Authorizes the County Manager to utilize existing design professional agreements of Arquitectonica International Corporation, Perez and Perez Architects Planners, Inc., The Russell Partnership, Inc., Sequeira & Gavarette, P.A., Kimley-Horn & Associates, Inc., Ronald E. Frazier & Associates, P.A. and T.Y. Lin International/H.J. Ross Associates for services that may be needed for completion of the NTD Program; and

Section 4. Waives the requirements of Resolution No. R-377-04.

The foregoing resolution was offered by Commissioner _____, who moved its adoption. The motion was seconded by Commissioner _____ and upon being put to a vote, the vote was as follows:

Joe A. Martinez, Chairman
Dennis C. Moss, Vice-Chairman

Bruno A. Barreiro
Jose "Pepe" Diaz
Sally A. Heyman
Dorrin D. Rolle
Katy Sorenson
Sen. Javier D. Souto

Dr. Barbara Carey-Shuler
Carlos A. Gimenez
Barbara J. Jordan
Natacha Seijas
Rebeca Sosa

The Chairperson thereupon declared the resolution duly passed and adopted this 21st day of June, 2005. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

Approved by County Attorney as
to form and legal sufficiency.



Henry N. Gillman

By: _____
Deputy Clerk

FOURTH AMENDMENT TO LEASE,
CONSTRUCTION AND FINANCING AGREEMENT
BETWEEN
MIAMI-DADE COUNTY AND
AMERICAN AIRLINES, INC.
MIAMI INTERNATIONAL AIRPORT

FOURTH AMENDMENT TO
LEASE, CONSTRUCTION AND FINANCING AGREEMENT BETWEEN MIAMI-
DADE COUNTY AND AMERICAN AIRLINES, INC.
MIAMI INTERNATIONAL AIRPORT

THIS FOURTH AMENDMENT TO LEASE, CONSTRUCTION AND FINANCING AGREEMENT (this "Amendment") is made and entered into as of the ___ day of _____, 2005 (the "Effective Date"), by and between Miami-Dade County (f/k/a Metropolitan Dade County), a political subdivision of the State of Florida (the "County"), and American Airlines, Inc., a Delaware corporation authorized to do business in the State of Florida ("American") (American, together with the County, may hereinafter each be referred to as a "Party" and collectively as the "Parties").

RECITALS

1. American and the County entered into that certain Lease, Construction and Financing Agreement, dated October 3, 1995, as amended by Resolution No. R-872-99 approved July 27, 1999, as further amended by that certain Second Amendment to Lease, Construction and Financing Agreement dated December 4, 2001, and as further amended by that certain Third Amendment to Lease, Construction and Financing Agreement dated April 26, 2002 (collectively, the "Agreement").

2. The Parties desire to further amend the terms and provisions of the Agreement as set forth in this Amendment.

NOW, THEREFORE, for and in consideration of the mutual covenants and promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, American and the County hereby agree as follows:

1. Definitions. All capitalized terms contained in this Amendment which are not defined in this Amendment shall have the respective meaning ascribed to them in the Agreement, unless the context otherwise requires.

2. Incorporation of Recitals. The recitals and findings set forth in the preamble of this Amendment are true and correct and are hereby adopted by reference thereto and incorporated herein as if fully set forth in this Section.

3. Intent and Consideration. It is the intent of this Amendment to set forth in detail the understanding and agreement of the Parties as it relates to the assignment by American to, and assumption by the County of, American's obligations for the design and construction of the Improvements as set forth in Article I of the Agreement, which Improvements are commonly known as the Concourse A-D Project (the "Project") at Miami International Airport ("MIA"). The Parties acknowledge and agree that part of the consideration supporting this Amendment is the Parties' simultaneous execution and delivery of that certain Claims Administration Agreement between the Parties attached to Resolution No. [____], adopted by the Board of County Commissioners for Miami-Dade County, Florida on [_____] (the "Claims Administration Agreement") and First Amendment to the Airline Use Agreement between American and the County attached to Resolution No. [____], adopted by the Board of County Commissioners for Miami-Dade County, Florida on [_____] (the "AUA").

4. Assignment and Assumption of Transition Documents. As of the Effective Date, American hereby sells, assigns, conveys, grants and sets over unto the County all of American's right, title and interest in and to the agreements listed on Exhibit "A" attached hereto and by this reference made a part hereof (collectively, the "Transition Documents") including all licenses, permits, warranties and insurance policies held by American now in effect with respect to the

Transition Documents. American shall not assign and the County shall not assume American's right, title and interest to any agreements with Turner Construction Company, Inc. and Austin Commercial, Inc. d/b/a Turner-Austin Airport Team ("TAAT") including, without limitation, the 1998 Construction Management At-Risk Agreement, as amended, and the 2001 Construction Management Agreement. American represents and warrants to the County that to the best of its knowledge the Transition Documents are in full force and effect in accordance with their terms. Upon the written request of the County, American agrees to cooperate with the County as reasonably necessary to effect a transfer or close out of any permits held in connection with the Project. As of the Effective Date, the County hereby assumes all of American's obligations and rights arising out of, relating to, or in connection with the Transition Documents including the payment when due of all outstanding invoices payable under the Transition Documents, subject to the County's rights to contest any such obligation. American and the County agree that this Amendment constitutes a termination of American's rights and obligations under Article I of the Agreement with respect to the design and construction of the Project or portions thereof. From and after the Effective Date, American shall have no further rights, obligations or liabilities pursuant to Article I of the Agreement (whether arising or accruing prior to or after the date of this Amendment), except as specifically provided in this Amendment. American hereby represents and warrants that, as of the Effective Date, American has applied to County for payment of all pay requests received by American from applicable design professionals and contractors relating to the Transition Documents or Approved Improvements Costs and that American has made payment therefor to the extent that the County has provided funds to American for such payments. Except as specifically set forth in this Amendment, the assignment

of the Transition Documents by American to the County is made without representations and warranties by American of any kind or nature, express, implied or otherwise.

5. Assignment and Assumption of Materials. As of the Effective Date, American hereby sells, assigns, conveys, grants and sets over unto the County all of American's right, title and interest in and to the goods, equipment and materials paid for by the County in connection with the Project, including but not limited to those listed on Exhibit "B" attached hereto and by this reference made a part hereof (collectively, the "Materials"), as well as all warranties received by American from any of its contractors, consultants, vendors or suppliers, all policies of insurance applicable to the Materials, and all miscellaneous personal property and office equipment used by American and paid for by the County in connection with the Project. American further warrants that to the best of its knowledge the materials listed on Exhibit "C" attached hereto constitute all pre-purchased goods, material and equipment whether stored on-site or off-site (collectively, the "Pre-Purchased Items") held in the name of any of American's contractors, consultants, vendors or suppliers for which the County has reimbursed American in connection with the Project. American assigns and relinquishes to the County all claims to any discounts, credits, rebates or refunds of any nature that may arise in connection with the Materials and the Pre-Purchased Items. As of the Effective Date, the County assumes the risk of loss for the Materials and the Pre-Purchased Items. Except as set forth in this Amendment, the Materials are being conveyed on an "as is," "where is," and "with all faults" basis without any representation or warranty by American, express or implied, whatsoever as to their condition or fitness for any particular purpose. Upon the written request of the County, American shall provide such other documentation as reasonably necessary to effectuate the assignment of the Materials from American to the County (e.g., bill of sale).

6. Joint Bank Account. As soon as practicable after the Effective Date (but in no event more than thirty [30] days thereafter), the County and American shall perform a final accounting and shall close the bank account identified in Article I, Section 20 (Reimbursement Procedures) of the Agreement used for the reimbursement of Approved Improvements Costs.

7. Agreement Amendments.

7.1 Except as set forth in this Section 7.1, all of the rights and obligations of American set forth in Article I of the Agreement are hereby terminated and of no further force and effect as between the Parties; provided, however, the County hereby assumes the rights of American set forth in Article I to the extent necessary for the completion of the Improvements and for purposes of the Claims Administration Agreement.

7.1.1 The County acknowledges and agrees that American shall have no obligations or liability to the County concerning, arising out of or in any way relating to Article I, Section 9 (Environmental Assessment and Remediation) of the Agreement and that certain letter agreement between the Parties dated January 17, 2001 ("Letter Agreement"). The Parties agree that the notice requirements of Article I, Section 9 of the Agreement and the Letter Agreement shall no longer have any force and effect, except that the County shall remain responsible for its payment obligations under the Letter Agreement that arise or accrue prior to the Effective Date of this Agreement.

7.1.2 Article I, Section 18 (Other Requirements) of the Agreement shall remain in effect until such time as American furnishes the Department with the items required thereunder including "record drawings" for those portions of the Improvements for which there is beneficial occupancy. Following the submission by American to the Department of the items required under Article I, Section 18 of the Agreement for those portions of the Improvements for

which there is beneficial occupancy, the rights and obligations of American set forth in Article I, Section 18 of the Agreement are hereby terminated and of no further force and effect as between the Parties.

7.1.3 The County acknowledges and agrees that American has satisfied its obligations set forth in Article I, Section 19 (Approved Improvements Costs) of the Agreement, except for the submission to the Department of a final certified audit (the "Final Audit"). Article I, Section 19 shall remain in effect in order for American to furnish the Department with the Final Audit. The Final Audit shall be submitted within one hundred and eighty (180) days of the Effective Date and disputes concerning whether any costs are to be included in Approved Improvements Costs are subject to the dispute resolution provisions set forth in Section 3.7 of the Claims Administration Agreement (as defined in Section 10). Following the submission by American to the Department of the Final Audit and payment therefore as an Approved Improvements Cost, the rights and obligations of American set forth in Article I, Section 19 of the Agreement are hereby terminated and of no further force and effect as between the Parties; provided, however, notwithstanding the foregoing, (a) American's obligation to maintain and make available data and records shall remain in effect as required by and for the applicable time period all as set forth in Article I, Section 19, unless such data and records are delivered by American to the County, in which case American shall be relieved of its obligation to maintain and make available such data and records and (b) upon the written request of the County, American shall assign to the County the agreement between American and the Auditor, provided that such agreement is assignable.

7.1.4 Article I, Sections 20 through 25, inclusive, of the Agreement shall remain in full force and effect with respect to the rights and obligations of the Parties in connection with

the Enhanced System provided that the County's obligation thereunder is to complete the acquisition and installation of the Enhanced System as currently designed and approved by American. The County agrees to install the Enhanced System on an "as-is," "where is," and "with all faults" basis without any representation or warranty by the County, express or implied, whatsoever as to the adequacy of the Enhanced System or its fitness for any particular purpose. Except as provided in this Section 7.1.4, the County shall have no liability for damages, including consequential damages, to American for the Enhanced System in the event the Enhanced System fails to function as designed or due to a design defect. Following completion of the acquisition and installation of the Enhanced System and fulfillment of all other obligations including American's payment obligations relative thereto, the rights and obligations of American set forth in Article I, Sections 20 through 25, inclusive, of the Agreement are hereby terminated and of no further force and effect as between the Parties; provided, however, Article I, Sections 24.1 and 24.2 shall remain in effect so long as American is operating and maintaining the Enhanced System.

7.2 Article III, Section 2 (Indemnification and Hold Harmless) of the Agreement is hereby deleted in its entirety and replaced with the following:

Indemnification and Hold Harmless. American shall protect, defend (using attorneys reasonably acceptable to County), and hold the County and its officers, agents and employees completely harmless from and against any and all liabilities, losses, suits, claims, judgments, fines or demands arising by reason of injury or death of any person or damage to any property, including the leased Premises, including all reasonable costs for investigation and defense thereof (including but not limited to attorney fees, court costs, and expert fees, through all levels of trial and appellate proceedings), of any nature whatsoever arising out of or incident to Article II of this Agreement and/or the use or occupancy of the leased Premises or the acts or omissions of officers, agents, employees, contractors, subcontractors, licensees, assignees, successors or invitees of American regardless of where the injury, death or damage may occur, except to the extent such injury, death or damage is caused (i) solely by an Act of God, or (ii) by the negligent acts or omissions or willful misconduct of the County, its

officers, employees or agents. The County shall give American reasonable notice of any such claims or actions. The provisions of this Section 2 shall survive the expiration or early termination of this Agreement.

8. County Completion of Improvements. The County acknowledges and agrees that it is committed to pursue the design and construction of the Improvements with completion as currently planned to occur by June 1, 2013 (the "Completion Date") and such commitment by the County is a material inducement for American to enter into this Amendment; provided, however, the County may, after consultation with American, make reasonable modifications to the schedules due to Force Majeure, as defined in Article III, Section 21 of the Agreement, or as reasonably required to address unforeseen or hidden field conditions or design errors, omissions or defects that may require the County to provide any contractors performing work on the Project with an extension of time to complete the Improvements.

8.1 The County hereby agrees to complete the Improvements (which the Parties acknowledge exclude those portions of the Admiral's Clubs that are not Improvements and the Early Baggage Storage System) by the Completion Date based upon the Transition Documents and with (a) modifications to the plans as may be required by any Federal, State or local agency (which in the case of a local agency such requirement must be of general applicability [e.g., health, safety and welfare] and not Project specific) and (b) reasonable modifications to the plans required (i) by the failure of the plans to address unforeseen or hidden field conditions, (ii) by design errors, omissions or defects and (iii) to correct inconsistencies in various plans and specifications. The County agrees to consult with American to maintain the Phasing Plan as such may be modified from time to time as required by the Agreement in order to ensure that the Improvements as presently designed are completed by the Completion Date. Additionally, in connection with its obligation to complete the Improvements by the

Completion Date, the County shall make commercially reasonable efforts to accommodate American's reasonable and significant operational needs.

8.2 As part of its obligation to complete the Improvement as set forth in Section 8.1, the County shall:

8.2.1 Complete the Enhanced System, including the extension of the Enhanced System throughout the entirety of Concourse A.

8.2.2 Demolish Concourse B and complete the Automated People Mover as currently planned with four (4) stations.

8.3 As additional consideration for this Amendment, the County agrees as a part of Phase 1 of its Capital Improvements Program to program, design and construct a three (3) level, two (2) contact gate regional commuter facility (the "RCF") in substantial conformance with the conceptual plans titled Ramp Level, Concourse Level and Third Level, all dated January 19, 2004 (3 pages) attached hereto as Exhibit "D" and associated Apron work, as yet to be designed, to support the RCF, except that the County shall have no obligation to design or construct any Early Baggage Storage System or the "E.B.S. Building" referenced in the conceptual plans attached hereto as Exhibit "D."

8.4 If either (a) the County's obligations with respect to Claims (as defined and set forth in Section 3 of the Claims Administration Agreement) or (b) the County's right to impose or American's obligation to pay the surcharge as set forth in the the AUA are at any time or for any reason held to be unlawful, invalid, unenforceable or otherwise ultra vires, as determined by a court or federal administrative agency of competent jurisdiction and following the conclusion of any judicial appeals that do not invalidate the decision, then the County may, but shall not be required to, complete the Improvements and the RCF.

9. Reaffirmation of Agreement. Except as herein modified, the County and American hereby ratify and reaffirm, in all respects, the terms and provisions of the Agreement. Without limiting the foregoing, nothing herein shall affect or otherwise diminish American's rights as Lessee under Article II of the Agreement. To the extent of any conflict between the terms and provisions of the Agreement and this Amendment, the terms and conditions of this Amendment shall control.

10. Other Agreements. This Amendment, the Claims Administration Agreement between the Parties and the AUA incorporate and include all prior negotiations, correspondence, conversations, agreements, and understandings applicable to the matters contained herein and the Parties agree that there are no commitments, agreements or understandings concerning the subject matter of this Amendment that are not contained in this Amendment, the Claims Administration Agreement or the AUA.

11. If any administrative or legal proceeding is commenced by any person, company or governmental agency in which the terms of the Agreement, this Amendment, the Claims Administration Agreement or the AUA are challenged in any manner, then, to the extent the County is a party to such challenge or if MIA's finances or rate base is affected in any manner as a result of such challenge, American shall provide reasonable cooperation with the County in the defense of such challenge. Reasonable cooperation shall mean making available to the County (a) internal American personnel and (b) copies of records and documents that are reasonably needed or required in the defense of such challenge relating to the Improvements, the Project, the Agreement, this Amendment, the Claims Administration Agreement or the AUA. To the extent American chooses to retain its own independent consultants, experts or attorneys to assist the County in defending such challenge, American may do so at its own expense. Nothing in this

Section 11 shall require American to disclose information or documents that are protected under the work product doctrine, the attorney-client privilege or any other applicable common law or statutory privilege.

12. American acknowledges and agrees that except for the costs identified in Section 11 above, all costs arising out of the Agreement and this Amendment, the Claims Administration Agreement, the construction and financing of the Project, and resolution of any disputes relating to the Project that exceed the amount of the Payment (as defined in the Claims Administration Agreement) and proceeds from the Insurance Policy (as defined in the Claims Administration Agreement) are proper costs of MIA and are eligible for inclusion in the MIA's rate base.

IN WITNESS WHEREOF, the Parties hereto, by their duly authorized and appropriate officers or officials, have executed this Amendment as of the date first above written.

Attestation:

MIAMI-DADE COUNTY, THROUGH ITS
BOARD OF COUNTY COMMISSIONERS

Harvey Ruvin, Clerk

By: _____

By: _____
George M. Burgess, County Manager

APPROVED AS TO LEGAL SUFFICIENCY BY
THE OFFICE OF THE COUNTY ATTORNEY:

By: _____
Assistant County Attorney

AMERICAN AIRLINES, INC.

By: _____
Name: _____
Title: _____

EXHIBIT "A"

TRANSITION DOCUMENTS

Exhibit A

(to Fourth Amendment to Lease, Construction and Financing Agreement)

Project No.	Contract
1 701M	Vendor Service Agreement by and between American Airlines and Mercedes Electric Supply, Inc. made as of January 15, 2002
2 701R4	Consulting Agreement by and between American Airlines and CCM Consulting Group made as of January 26, 2000
3 701R6	Amended and Restated Program Management Agreement by and between American Airlines and Corgan Associates, Inc. made as of January 1, 2002
4 702R1	Design Services Agreement by and between American Airlines and Lea + Elliott, Inc. made as of April 1, 1998
5 702R2	Construction Agreement by and between American Airlines and Sumitomo Corporation of America made as of November 14, 1999
6 703A	Baggage Handling System Contract Agreement by and between American Airlines and Siemens Dematic Corporation made as of September 23, 2002
7 703A2	Consulting Agreement Time & Material by and between American Airlines and URS Corporation made as of September 1, 2003
8 703D1	Construction Agreement by and between American Airlines and Trintec Construction Inc made as of September 16, 2002
9 703R1	Design Services Agreement by and between American Airlines and URS Greiner, Inc made as of July 1, 1998
10 726R1	Design Services Agreement by and between American Airlines and Argus Consulting, Inc. made as of June 25, 1998
11 726R2	Construction Agreement by and between American Airlines and Underground Construction Co. made as of July 7, 2000.
12 727D1	Vendor Service Agreement by and between American Airlines and Alanis Inc. made as of July 29, 2003
13 727R8	Vendor Services Agreement by and between American Airlines and Handi Van made as of May 30, 2001
14 732B	Construction Agreement by and between American Airlines and Marks Brothers, Inc. made as of December 2, 2002
15 732R1	Design Services Agreement by and between American Airlines and H.J. Ross and Associates, Inc. made as of January 29, 2001
16 737H	Construction Agreement by and between American Airlines and Dato Electric, Inc. made as of October 1, 2004
17 737R1	Design Services Agreement by and between American Airlines and Wolberg Alvarez and Partners, Inc. made as of November 18, 1998
18 739A1	Construction Agreement by and between American Airlines and NR Windows, Inc. made as of October 1, 2004
19 739C	Design Services Agreement by and between American Airlines and Wolberg Alvarez made as of November 7, 2002
20 739G	Construction Agreement by and between American Airlines and Crompton Construction made as of November 22, 2002
21 739R1	Design Services Agreement by and between American Airlines and Harper Partners/Perez and Perez made as of April 4, 2001
22 740R1	Design Services Agreement by and between American Airlines and MC Harry Associates made as of August 29, 2001
23 741R1	Design Services Agreement by and between American Airlines and Harper Partners, Inc. made as of October 14, 1999

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Exhibit A

(to Fourth Amendment to Lease, Construction and Financing Agreement)

24	745R1	Design Services Agreement by and between American Airlines and Bermello, Ajamil & Partners, Inc. made as of June 1, 2000
25	746R3	Design Services Agreement by and between American Airlines and Bermello Ajamil and Partners made as of August 31, 2001
26	747A	Construction Agreement by and between American Airlines and Carivon Construction Company made as of April 11, 2003
27	747D	Construction Agreement by and between American Airlines and Crompton Construction made as of September 2, 2004
28	747R1	Design Services Agreement by and between American Airlines and Leo A. Daly Company made as of June 27, 2001
29	763AB	Construction Agreement by and between American Airlines and John J Kirlin Inc., made as of June 20, 2002
30	763R1	Design Services Agreement by and between American Airlines and Argus Consulting, Inc. made as of November 10, 1999
31	769A	Construction Agreement by and between American Airlines and Aventura Engineering & Construction Corp. made as of September 12, 2002
32	769R1	Design Services Agreement by and between American Airlines and Daphne I. Gurri, A.L.A. made as of April 9, 2001
33	771A	Construction Agreement by and between American Airlines and Merkurj Development made as of October 28, 2003
34	771C1	Construction Agreement by and between American Airlines and Ace Construction made as of March 21, 2003
35	773C	Construction Agreement by and between American Airlines and Dynalectric – Florida made as of October 28, 2002
36	773J1	Construction Agreement by and between American Airlines and BMA Construction, Inc. made as of January 17, 2003
37	773R8	Construction Agreement by and between American Airlines and Aventura Engineering & Construction Corp. made as of January 14, 2002
38	775A1	Construction Agreement by and between American Airlines and Dynalectric Florida made as of December 23, 2002
39	775A	Design Services Agreement by and between American Airlines and Ross & Baruzzini Transportation Services, inc. made as of September 18, 2002
40	775B	Construction Agreement by and between American Airlines and Dynalectric Company made as of October 27, 2004
41	776A1	Construction Agreement by and between American Airlines and ABC Construction, Inc. made as of April 23, 2003
42	776A2	Construction Agreement by and between American Airlines and Cuesta Construction Corp. made as of April 23, 2003
43	776A3	Construction Agreement by and between American Airlines and Cuesta Construction Corp. made as of April 23, 2003
44	776B1	Construction Agreement by and between American Airlines and E.L.C.I. Construction Group, Inc. made as of November 19, 2002
45	776B3	Construction Agreement by and between American Airlines and ACE Construction, Inc. made as of January 6, 2003
46	776B4	Construction Agreement by and between American Airlines and Dozier and Dozier Construction, Inc. made as of February 18, 2003
47	776B5	Construction Agreement by and between American Airlines and H.F. Contractors, Inc. made as of February 18, 2003
48	776B7	Construction Agreement by and between American Airlines and C.L. Elias Construction, Inc. made as of May 9, 2003

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Exhibit A

(to Fourth Amendment to Lease, Construction and Financing Agreement)

49	776B8	Design Services Agreement by and between American Airlines and Gurri Matute, PA made as of February 10, 2003
50	776B8A	Construction Agreement by and between American Airlines and Trintec Construction, made as of April 7, 2003
51	776B9	Construction Agreement by and between American Airlines and E.L.C.I. Construction Group, Inc. made as of April 21, 2003
52	776C1	Construction Agreement by and between American Airlines and E.L.C.I. Construction Group, Inc. made as of October 9, 2003
53	776F	Construction Agreement by and between American Airlines and H.F. Contractors, Inc. made as of November 6, 2003
54	776G	Construction Agreement by and between American Airlines and Romano Brothers Construction made as of December 15, 2003
55	776I1 & 776I2	Construction Agreement by and between American Airlines and ABC Construction, Inc. made as of November 18, 2004
56	776J	Construction Agreement by and between American Airlines and E.L.C.I. Construction Group, Inc. made as of February 19, 2004
57	776L	Construction Agreement by and between American Airlines and ABC Construction, Inc. made as of March 11, 2004
58	776M	Construction Agreement by and between American Airlines and H.F. Contractors, Inc. made as of October 19, 2004
59	776N1	Construction Agreement by and between American Airlines and DODEC, Inc. made as of February 22, 2005
60	776N2	Construction Agreement by and between American Airlines and ABC Construction, Inc. made as of January 21, 2005
61	776N3	Construction Agreement by and between American Airlines and Aventura Engineering & Construction Corp. made as of December 22, 2004
62	776N4	Construction Agreement by and between American Airlines and Trintec Construction, Inc. made as of February 22, 2005
63	776N5	Construction Agreement by and between American Airlines and DODEC, Inc. made as of December 29, 2004
64	799R1	Consulting Agreement by and between American Airlines and ATC Group Services, Inc.d/b/a ATC Associates, Inc. made as of August 31, 2000
65	911R1	Consulting Agreement by and between American Airlines and IT Corporation made as of June 22, 2000
66	911R2	Construction Agreement by and between American Airlines and Underground Construction Co. made as of May 20, 2001
67	776C1	Design Services Agreement by and between American Airlines and Laura M Perez and Associates made as of June 17, 2003
68	776B10	Design Services Agreement by and between American Airlines and Ro Architects and Planners made as of June 12, 2003
69	746R1	Design Services Agreement by and between American Airlines and Alleguez and Associates made as of August 16, 2002
70	799H	Construction Agreement by and between American Airlines and Honeywell International, Inc. made as of March 12, 2003
71	727D	Vendor Services Agreement by and between American Airlines and Vera Security Svcs, made as of May 16, 2001
72	741B	Construction Agreement by and between American Airlines and Marks Brothers, Inc. made as of February 19, 2001
73	732J	Construction Agreement by and between American Airlines and HF Contractors Inc made as of November 1, 2002

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Exhibit A

(to Fourth Amendment to Lease, Construction and Financing Agreement)

74	755A	Construction Agreement by and between American Airlines and Crompton Construction made as of May 2, 2001
75	911A	Construction Agreement by and between American Airlines and Underground Construction Co. made as of May 20, 2001
76	728A	Construction Agreement by and between American Airlines and APAC made as of October 12, 2001

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EXHIBIT B - GOODS, EQUIPMENT AND MATERIALS - Under American Airlines Contracts

(Supporting Documentation within tabs is on file with The Clerk of the Board of County Commissioners)

ITEM #	PROJECT #	VENDOR SERVICE AGREEMENT	PROJECT NAME	STORED GOODS, EQUIPMENT & MATERIAL
1	MIA-775A		Premise Distribution System (DPS)	None
2	MIA-703D	Cage/ Siemens	Baggage System	Equipment stored throughout Ramp Area of Concourse A. See Tab 1
3	MIA-762B	Thyssen Krupp	Passenger Loading Bridges	See Tab 2
4	MIA- 763A&B	J.J. Kirlin	Pre-Conditioned Air & 400 HZ	
5	MIA-732J	HF Contractors	PLB Foundations	
6	MIA-741B	Marks Bros.	D-Extension Apron & Utilities	
7	MIA-732J PO	Semler Industries	Potable Water Cabinets	None
8	MIA-701S		Landside Public Area Way Finding Signage	None
9	732B	Marks Bros.	A-B Apron & Infill Utilities	None
10	MIA-702A	Sumitomo	APM	Automated train control system is stored at Concourse Level "B" Throat
11	MIA-701	N/A	Personal Property & Office Equipment	See Tab 3

WARRANTIES

1	Marks Brothers, Inc Project 741B Concourse D Extension. General Warranty, August 11, 2004 - 1 year From May 27, 2004
2	ITT FLYGT 5 years (10,000 HR) Pump Warranty
3	Thyssen Krupp Airport Systms Limited Warranty 2 years. April 20, 2004 Passenger Loading Bridges D42, D43, D44, D45, D46, D47, D48, D49, D51
4	Merkury Development MIA 771 A "E" Headhouse Modification Gates E-32, E-33, E-34, E35 Contractors Warranty 1 Year - September 21, 2004

INSURANCE POLICIES

1	American International Group. 2 policies \$25 Million Pollution Liability Insured: American Airlines with MDAD as an additional insured. Expiration date May 25, 2005
2	American International Group OCIP \$2,000,000.00 / Occurrences \$4,000,000.00 / Aggregates Insured: American Airlines, Contractors, MDAD. Expiration date: December 31, 2007

EXHIBIT C - PRE-PURCHASED ITEMS - UNDER CONTRACTS HELD BY TAAT

(Supporting Documentation within tabs is on file with The Clerk of the Board of County Commissioners)

ITEM #	PROJECT #	VENDOR SERVICE AGREEMENT	PROJECT NAME	STORED GOODS, EQUIPMENT & MATERIAL
12	701C	MIA-737-R-7; TAAT/ Masonry Arts, Inc.	Curtain Wall	Entire 745B Curtainwall components are stored in secured lay down area located immediately west of AA cargo building at MIA.
13	701D	Honey well/ MDAD	Temperature Controls	None
14	701E	M701E-A14- 1005; TAAT/ Kone, Inc	Elevators, Escalators, & Moving Walks	745B- 7 elevators are on site. 4 of 7 are in shaft . 3 are stored on 2nd floor of 745B (2 are in Moline, IL waiting for elevator shaft preparation).
15	701F	Honeywell/ MDAD	Fire Alarms	None
16	701E-1		Electric Underground Structures	None
17	701G	GAF	Roofing	None
18	701H	York	Air Handling Equipment	None
19	701J	Detroit Diesel	Emergency Generators	None
20	701K	Gate Products Corporation	Pre-Cast Concrete	B-C Shell project precast units have been fabricated and are currently stored at Gate Precast Fabrication Plant, Kissimmee, FL Final spandrel unit for 737G shell is also stored at Kissimmee Plant. See Tab 4
21	701L	Mercedes Electric supply, Inc.	Shell Lighting Fixtures / Apron Lighting / Finish Package Lighting	None
22	701M	Mercedes Electric Supply, Inc.	Switchgear Equipment	BC switchgear currently stored on site in the CD infill area.
23	701N	Honeywell	Building Management Systems	None

EXHIBIT C - PRE-PURCHASED ITEMS

(Supporting Documentation within tabs is on file with The Clerk of the Board of County Commissioners)

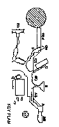
ITEM #	PROJECT #	VENDOR SERVICE AGREEMENT	PROJECT NAME	STORED GOODS, EQUIPMENT & MATERIAL
24	701O	NKI Group	Millwork Pre-Purchase Package-1 (Secured Public Area)	Type 3 APM FIDS stored at "Creative Homes" warehouse, Hialeah, Florida. Benchmark Ticket Counters inserts for 746A are stored at KMI International, 2501 Park Street, Lake Worth, Florida.
25	701P	NKI Group	Millwork Pre-Purchase Package-2 (Landside Public Area)	None
26	701R	NR Windows, Inc.	APM Station Breakaway Doors (Storefront)	None
27	701T	Earl Haygood Inc.; Richard Flanders (backup)	Test & Balance - HVAC Pre-Purchase	None
28	701L	Power & Lighting, Inc.	Lighting Fixture Buildout	Admiral's Club- Fixtures on site CD Buildout (739A)- Fixtures for finish out are stored on site @ 3rd floor of C-D Infill Area. See Tab 5
29		Mercedes Electric Supply, Inc.	Apron Lighting	None
30	739A	Kirlin	C-D Infill	Fans & VAV Boxes See Tab 6
31	745B	Baker	B-C Shell	PSI Joists - Concrete Level Phase II E. See Tab 7
32	701	N/A	Misc. Small Tools	Hurricane Prep. Tool Supply See Tab 8

EXHIBIT "D"

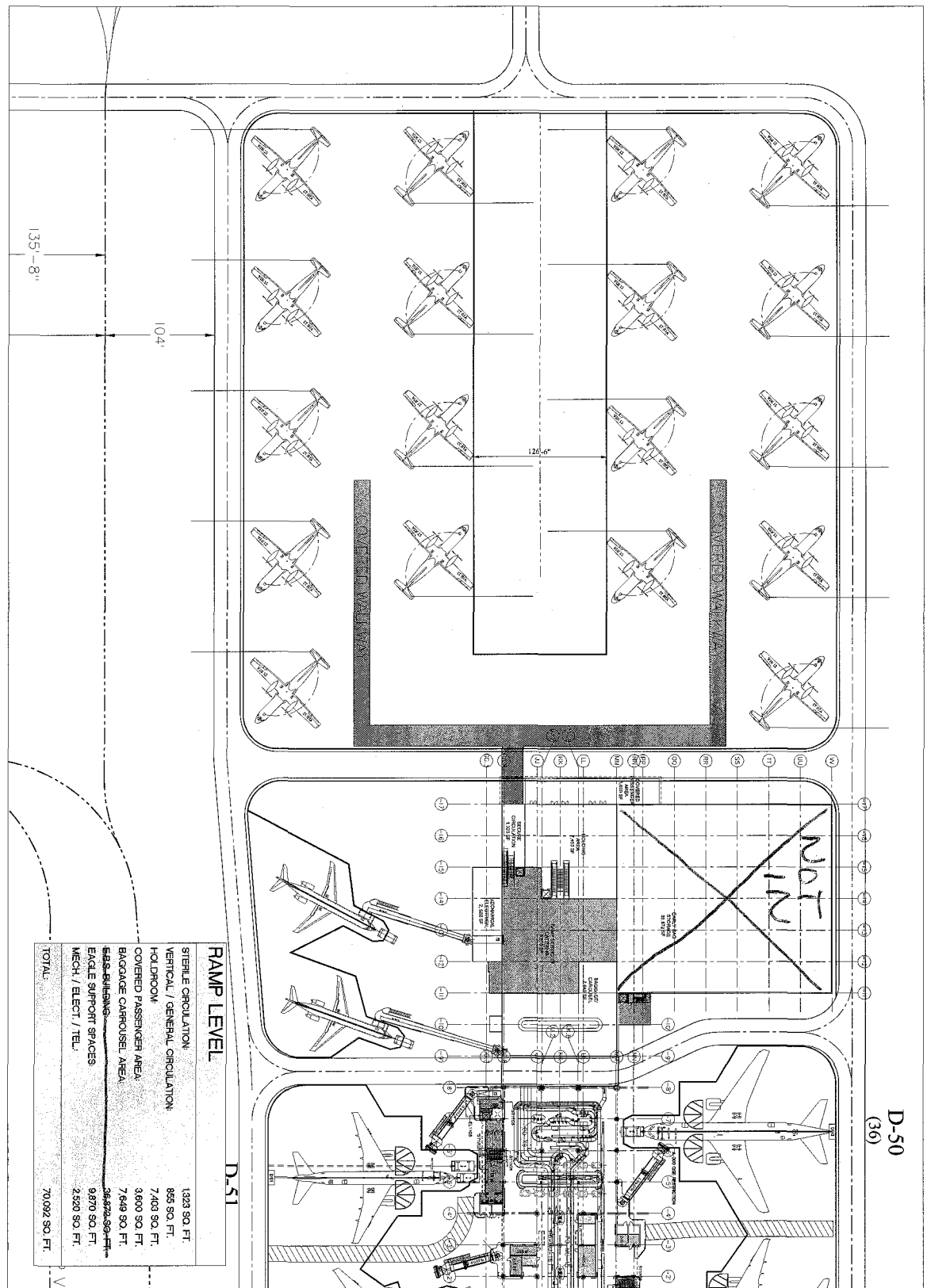
RCF PLANS

2 GATE

SCALE: 1"=30'
01-19-94



RAMP LEVEL



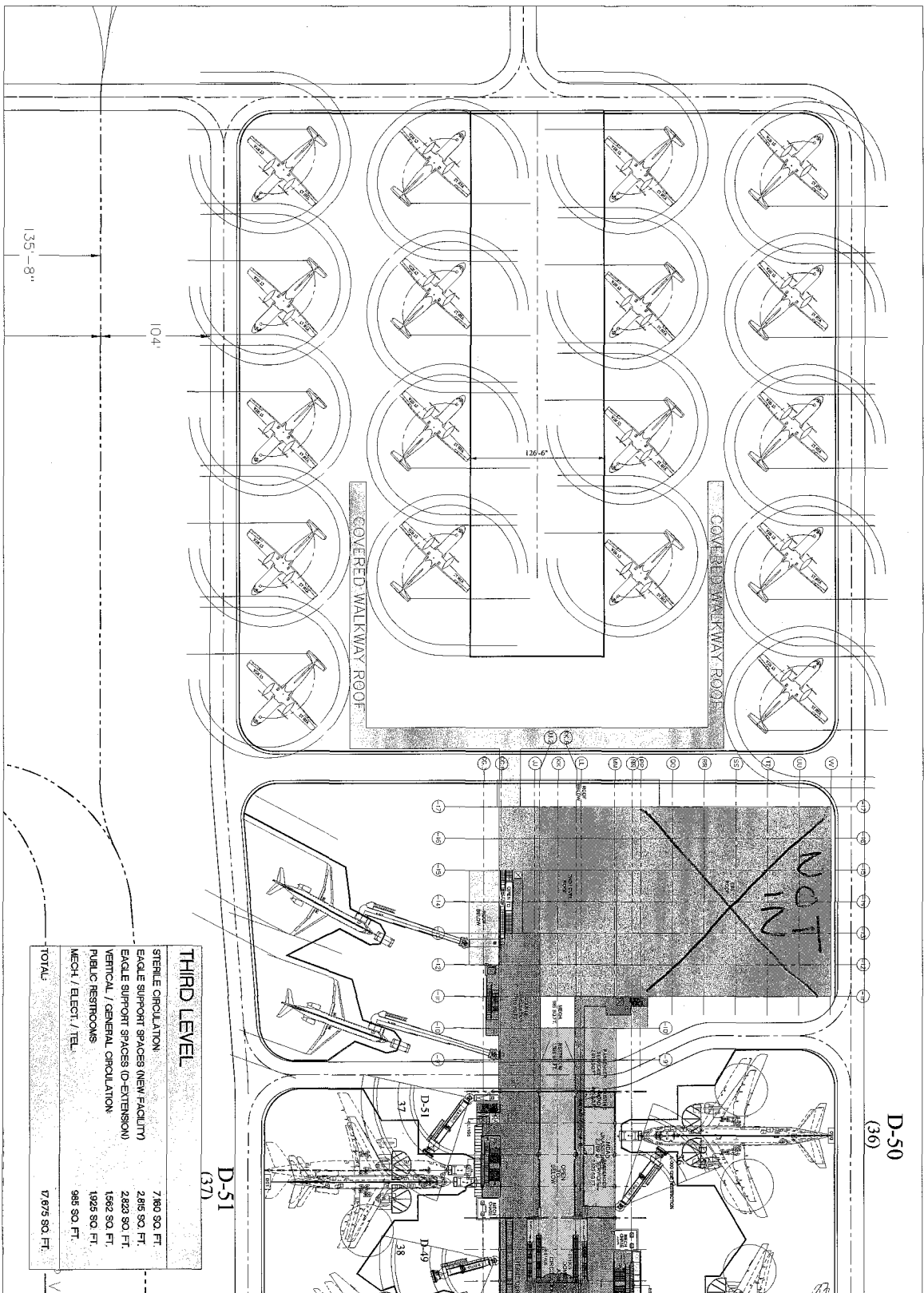
2-GATE

SCALE 1"=30'

01-18-04



THIRD LEVEL





**CLAIMS ADMINISTRATION AGREEMENT BETWEEN MIAMI-DADE COUNTY
AND AMERICAN AIRLINES, INC.
MIAMI-INTERNATIONAL AIRPORT**

THIS CLAIMS ADMINISTRATION AGREEMENT (this "Agreement") is made and entered into as of the _____ day of _____, 2005 (the "Effective Date"), by and between Miami-Dade County (f/k/a Metropolitan Dade County), a political subdivision of the State of Florida (the "County"), and American Airlines, Inc., a Delaware corporation authorized to do business in the State of Florida, its successors and assigns ("American") (American, together with the County, may hereinafter each be referred to as a "Party" and collectively as the "Parties").

R E C I T A L S

1. American and the County previously entered into that certain Lease, Construction and Financing Agreement dated October 3, 1995, as amended (the "LCF Agreement"), under which the County authorized American to, among other things, cause the design and construction of the Improvements (as defined in the LCF Agreement) commonly known as the Concourse A-D Project (the "Project") at Miami International Airport ("MIA").

2. The Parties recognize the existence of certain Claims (as defined in Section 3.2) relative to the LCF Agreement and agree that the County shall administer the Resolution (as defined in Section 3.4) of the Claims in accordance herewith.

3. The Parties desire to enter into this Agreement in order to provide for the terms and conditions pursuant to which American will make the Payment (as defined in Section 3.1) into the Claims Reserve Fund (as defined in Section 3.1) to be established by the County for the

purpose of funding the payment of the Claims to the extent as set forth in Section 3, and the administration of the Claims by the County through the Claims Reserve Fund.

4. While the Payment will be made into the Claims Reserve Fund to pay the Claims to the extent set forth in Section 3, this Agreement also provides that after the Resolution of all Claims and the full Payment is made, any funds remaining in the Claims Reserve Fund shall be applied to the Project, all subject to the terms and provisions of this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, American and the County hereby agree as follows:

1. Incorporation of Recitals. The recitals and findings set forth in the preamble of this Agreement are true and correct and are hereby adopted by reference thereto and incorporated herein as if fully set forth in this Section.

2. Intent and Procedure. It is the intent of this Agreement to set forth in detail the understanding and agreement of the Parties as it relates to the Payment to be made by American into the Claims Reserve Fund to be established by the County and the administration of the Claims by the County including, but not limited to, the defense, settlement and/or adjudication of such Claims as well as the payment of any settlement amounts, judgments, attorneys' fees and costs and all other expenses related to the Claims. The County shall administer the Resolution of the Claims. American will make the Payment into the Claims Reserve Fund and, upon Resolution of the Claim(s), the County will pay the Claimant(s) (as defined in Section 3.2) from the Claims Reserve Fund.

3. Payment by American; Claims Reserve Fund

3.1 In full and complete consideration for this Agreement and as funding for the payment of the Claims, American shall make payment to the County in the total amount of One Hundred Five Million and 00/100 Dollars (\$105,000,000.00) (the "Payment"). The Payment shall be made in annual installments in the amounts set forth on Schedule "A" attached hereto. The first installment of the Payment shall be made within five (5) business days following the Effective Date. Each subsequent annual installment of the Payment shall be made on the anniversary of the Effective Date (or the next business day thereafter in the event the anniversary of the Effective Date is not a business day). Installments of the Payment shall be made by American to the County via wire transfer of immediately available funds into an interest bearing account established by the County (the "Claims Reserve Fund"). If an installment of the Payment is not made when due and the failure to make the installment of the Payment continues for five (5) business days following American's receipt of written notice from the County of said nonpayment, the County reserves the right to impose and American shall pay a surcharge as provided in the First Amendment to the Airline Use Agreement between American and the County which incorporates the First Amendment to the Terminal Rents and User Fees Rate-Setting Methodologies attached to Resolution No. [____], adopted by the Board of County Commissioners for Miami-Dade County, Florida on [_____] (collectively referred to hereinafter as the "AUA"); provided, however, the County shall remain obligated with respect to the defense and payment of the Claims as set forth in this Agreement. The purpose of the Payment, among other things, is to provide a source of funds to pay the portion of each and every Claim reasonably allocable to American or the Consultants (as defined in Section 3.2). The Payment or any portion thereof shall not be disbursed or released from the Claims Reserve Fund

by the County except in accordance with the terms and provisions of this Agreement. Except to the extent applicable in the AUA, the Payment shall not constitute rent or additional rent under Article II of the LCF Agreement. American shall not be obligated to make any payments to the County or any other persons or entities that arise from, are related to or in connection with the Claims other than the Payment in accordance with Schedule "A" or American's payment obligations as set forth in the AUA.

3.2 The County shall use the Payment made by American to pay any and all past, present and future liabilities, losses, suits, change orders, claims, causes of action, judgments, fines or demands or expenses or costs including, without limitation, costs of any settlement and including the fees and costs of the defense of a Claim as set forth in Section 3.3 below, of any kind whatsoever, known and unknown, asserted or unasserted, accrued or unaccrued, fixed or contingent, suspected or unsuspected, foreseen or unforeseen, which any person or entity (each, a "Claimant" and collectively "Claimants") now has, ever had or hereafter can, shall or may have, or which may be asserted or recovered against either (1) American, its directors, officers, employees and those certain consultants listed on Schedule "B" attached hereto (collectively, the "Consultants") or (2) the County, in connection with the Project, to the extent the County reasonably allocates responsibility to American or the Consultants for a Claim and intends to compensate a Claimant in the amount that the County has reasonably allocated responsibility to American or the Consultants, in the case of both (1) or (2), concerning, arising out of or in any way relating to (a) Article I of the LCF Agreement, or (b) the Improvements or the design, construction, financing other than relating to rates and charges at MIA, or implementation thereof by the Construction Manager (as defined in the LCF Agreement), the Program Manager (as defined in the LCF Agreement) or any contractors, subcontractors, sub-subcontractors,

mechanics, materialmen, sub-consultants, design professionals or any employees and consultants thereof, performing work on or related to the Improvements including claims arising from or relating to the termination of any agreement with any of the foregoing (each, a "Claim" and collectively "Claims"), it being the intent of the Parties that the County shall use the Payment to defend and pay all Claims in connection with American's role in the Project. Without limiting the foregoing, Claims shall specifically include any lawsuit by a Claimant in which American, its directors, officers, employees or Consultants are a named party or any set of circumstances in which the County reasonably allocates responsibility to American or the Consultants and withdraws funds from the Claims Reserve Fund to compensate a Claimant in the amount that the County has reasonably allocated responsibility to American or the Consultants; provided, however, in no case shall the County pay any Claim except pursuant to the procedure set forth in Sections 3.3 and 3.4. Notwithstanding the foregoing, Claims shall not include (x) any events or actions for which, and only to the extent, insurance proceeds have been or are paid to a Claimant under insurance policies provided by American, its contractors, or the County as of the Effective Date, including but not limited to the Owner Controlled Insurance Programs provided by American and the County or (y) any criminal action against any person or entity in connection with the Project.

3.3 The defense of each and every Claim shall be undertaken pursuant to this Section 3.3. Upon receipt by either the County or American of notice from a Claimant of a Claim, the Party that received such notice shall promptly provide the other Party with written notice of the Claim. Following receipt of notice of a Claim (either from the Claimant or American, as applicable), the County may issue a change order or settle the Claim pursuant to Section 3.4 below, or shall be obligated to provide for the good faith and diligent defense of such Claim with

attorneys, professionals, expert witnesses and other consultants necessary for the defense of such Claim as selected by the County, except in those circumstances where American elects to provide for the defense of a Claim as set forth in the next full paragraph of this Section 3.3 below. The costs and expenses of the defense of the Claim (including, but not limited to, the County's reasonable attorneys' fees and costs at both the trial and appellate levels as set forth in the next sentence) shall be paid by the County from the Claims Reserve Fund. The costs and expenses to be paid by the County from the Claims Reserve Fund shall include reasonable attorneys' fees and costs for attorneys who are County employees to the extent the defense of the Claims requires the County to hire additional attorneys and/or re-assign existing attorneys for the purpose of defending the Claims. Without limiting the foregoing, American may, at its own cost and expense, engage attorneys, professionals and other consultants to observe and monitor the defense of a Claim by the County and the County agrees to cooperate in good faith with American and its attorneys, professionals and other consultants; provided, however, nothing in this Section 3.3 shall require the County to disclose information or documents that are protected under the work product doctrine, the attorney-client privilege or any other applicable common law or statutory privilege.

Notwithstanding anything in this Section 3.3 to the contrary, American shall have the right, but not the obligation, to provide for the defense of any Claim or portion of a Claim naming a director, officer or employee of American as an individual defendant or Claims involving intentional torts. American may select attorneys, professionals, expert witnesses and other consultants necessary for the defense of such Claim or portion thereof naming a director, officer or employee of American as an individual defendant or Claims involving intentional torts with the reasonable costs and expenses thereof (including attorneys' fees and costs at both the

trial and appellate levels), as well as payment to the Claimant for the Resolution of the Claim, to be paid by the County from the Claims Reserve Fund, promptly upon the written request of American to the County. If the County fails to make any such payment as requested by American, American may deduct such amount from the next scheduled installment of the Payment. In order to evidence its election to provide for the defense of a Claim as set forth above, American shall provide the County with written notice of its election to defend, either simultaneously with its required written notice to the County of the Claim or within ten (10) days of its receipt from the County of the required written notice of the Claim, as applicable. At any time following the receipt of American's written notice of its election to defend, the County may object, by written notice to American, that either (a) American is not entitled to defend such a Claim as set forth in the second paragraph of Section 3.3, (b) American is not providing for the good faith and diligent defense of such Claim, or (c) American's fees and costs in defending such Claim are not reasonable or necessary. If the County objects in writing to the defense of such Claim by American as to (a) , (b), or (c) above, then for ten (10) days following American's receipt of the County's notice of objection, the Parties shall cooperate in good faith in an effort to resolve the matter. If resolution as to the objection cannot be reached by the Parties within the ten (10) day period, the Parties shall submit such matter for resolution to the Arbitrator (as defined in Section 3.7) pursuant to the terms and provisions of Section 3.7. Notwithstanding anything to the contrary contained herein, following the receipt of a written notice of objection by the County as to (a), (b) or (c) above, and during the period of any resolution of such objection, whether by the Parties or the Arbitrator, or both, American shall continue with the defense of such Claim pursuant to the terms of this second paragraph of Section 3.3. If the determination of the Arbitrator as to an objection by the County as to (a) or (b) above is that the

County should defend the Claim, or with respect to (c) that American's fees and costs in defending the Claim are not reasonable or necessary, American, upon written notice to the County, may elect to continue with the defense of the Claim provided that American shall thereafter be responsible for the costs and expenses thereof (including attorneys' fees and costs at both the trial and appellate levels); provided, however, any payment to the Claimant for the Resolution of the Claim shall be made by the County from the Claims Reserve Fund. If the County objects as aforesaid and either (i) the Parties agree that the County should defend the Claim or (ii) the Arbitrator determines that the County should defend the Claim and American elects not to continue to defend the Claim as set forth in the preceding sentence, the County shall proceed to defend the Claim pursuant to the terms and provisions of the first paragraph of this Section 3.3 and make payment to the Claimant from the Claims Reserve Fund for the Resolution of the Claim.

The reasonable costs and expenses of the defense of a Claim (including attorneys' fees and costs at both the trial and appellate levels), whether incurred by the County or American, shall be deemed included in the definition of "Claims" for all purposes of this Agreement.

American acknowledges that the County will pay Claims arising out of the Project, and that the County's obligation in such regard is limited to the County's efforts made in good faith to engage in an analysis, review, process, and payment of Claims subject to a Resolution, and that the County owes no specific level of activity or attention in regard thereto. The County shall have the right to make payments to a Claimant without any confirmation or recommendation from any other party, person, expert, or advice of counsel if, in the County's considered judgment, the Claimant is entitled to payment of the amount the County proposes to make as a result of its analysis and review. American agrees that, subject to its right to object to the

payment of a Claim after payment is made to the Claimant, as set forth in Section 3.4, all such payments of Claims by the County, including the costs of analysis, review, processing, and payment and including the costs of consultants, experts, attorneys and administrative expenses in regard thereto, shall constitute legitimate costs of the Project.

3.4 Following the Resolution of any Claim, payment of such Claim from the Claims Reserve Fund shall be made pursuant to this Section 3.4; provided, however, it being expressly understood and agreed that only the portion of the Claim allocable to American and the Consultants shall be paid from the Claims Reserve Fund. For purposes of this Agreement, "Resolution" of a Claim shall mean that either the Claim is (a) resolved through the issuance and approval of a change order, (b) settled in good faith for a liquidated amount (including all attorneys' fees and costs) pursuant to a written settlement agreement, including court approved settlements, which shall include the full release of the Parties or (c) reduced to a final judgment, other than as a result of a court approved settlement, by a court of competent jurisdiction and following the waiver or expiration of all appeal periods without appeal being taken, or if appeal is taken, the final adjudication of the appeal. Upon the Resolution of a Claim in which the amount allocable to American or the Consultants to be paid to the Claimant is less than Seven Hundred Fifty Thousand and 00/100 Dollars (\$750,000.00), the County may make payment from the Claims Reserve Fund and shall provide American with written notice of the payment of the Claim. Upon the Resolution of a Claim in which the amount allocable to American or the Consultants to be paid to the Claimant is Seven Hundred Fifty Thousand and 00/100 Dollars (\$750,000.00) or more, the County may make payment from the Claims Reserve Fund and shall provide American with written notice of the amount of the payment to the Claimant and specifying the basis of the payment and allocation to American or the Consultants, it being the

intent of the Parties that American shall only have a right to object to a payment involving an amount allocable to American or the Consultants of Seven Hundred Fifty Thousand and 00/100 Dollars (\$750,000.00) or more; provided, however, prior to payment to a Claimant by the County, the parties may mutually agree in writing as to the amount of such payment, in which case, American shall not have the right to object to the payment, and provided further that American shall not have the right to object to payment of a Claim or the allocation of responsibility to American or the Consultants therefore where the Resolution of such Claim has been reduced to a final judgment as provided in subsection (c) of the second sentence of this Section 3.4. American shall have ten (10) days from the receipt of the County's written notice within which to object, in writing, to the payment to the Claimant including any allocation by the County of American's or the Consultants' responsibility in connection with such Claim; provided, however, any objection by American shall not require the County to delay or otherwise postpone the payment to the Claimant, and further provided that American's basis for objection shall be limited to facts which were reasonably known or should have been known to the County at the time the contested Resolution was made. If American fails to object in writing within ten (10) days from the receipt of the County's written notice, American shall be deemed to have waived its right to object to the payment of such Claim. If American objects in writing to the payment to the Claimant within the ten (10) day period, then for an additional ten (10) days following the County's receipt of American's notice of objection, the Parties shall cooperate in good faith in an effort to resolve American's objection. If the Parties or the Arbitrator determine that the payment should not have been made from the Claims Reserve Fund and/or the amount reasonably allocable to American or the Consultants should have been less than the amount paid to the Claimant, then the County shall deposit additional funds into the Claims Reserve Fund in

an amount that is equal to the amount that was improperly paid to the Claimant or allocated to American or the Consultants, as applicable. If resolution as to the objection cannot then be reached by the Parties within the additional ten (10) day period, the Parties shall submit such matter for resolution to the Arbitrator pursuant to the terms and provisions of Section 3.7.

3.5 If the amount of funds in the Claims Reserve Fund at any time are insufficient to pay a Claim or Claims due to the unavailability of funds based upon (a) the timing of the payment by American of installments of the Payments as required by Section 3.1 and Schedule "A" and/or (b) the full or partial release of funds from the Claims Reserve Fund by the County pursuant to Section 3.6, the County shall pay to the Claims Reserve Fund an amount necessary to cover the balance of the Claim or Claims. The County shall promptly make such advance into the Claims Reserve Fund; provided that by making such advance, the County, following the payment of the Claim or Claims at issue, shall then be authorized to withdraw for its use and benefit the amount of such advance following the next installment of the Payment made by American (and any future installments of the Payment) as necessary to reimburse the County in the amount of the advanced funds. Notwithstanding any other provision of this Agreement, the County's obligations pursuant to this Agreement with respect to Claims shall not exceed One Hundred Five Million and 00/100 Dollars (\$105,000,000.00) and the insurance/self insurance coverage to be provided by the County pursuant to Section 4. American shall not have any payment obligation to the County under this Agreement with respect to the Claims other than the obligation to make the Payment or the obligations set forth in the AUA.

3.6 Notwithstanding any other provision in this Agreement, the County may, from time to time, evaluate whether the aggregate of the funds in the Claims Reserve Fund and the remaining Payment installments are sufficient to pay the Claims. If the County in its sole

discretion reasonably determines that the funds in the Claims Reserve Fund and the remaining Payment installments are sufficient to pay the Claims, notwithstanding anything herein to the contrary, the County may authorize the full or partial release of funds from the Claims Reserve Fund to the County to cover expenses and costs associated with the Project. Following the payment of all Claims, as reasonably determined in writing by the Parties, and the completion of the Project, the County shall use any remaining balance of the Payment to cover costs and expenses associated with its Capital Improvements Program at MIA.

3.7 The Parties acknowledge that certain unresolved objections as set forth in Sections 3.3 and 3.4 are to be submitted to an Arbitrator for resolution. For purposes of this Agreement, the "Arbitrator" shall consist of a neutral person agreed to by the Parties. If the Parties cannot agree to an Arbitrator within thirty (30) days, the selection of the Arbitrator shall be submitted to the American Arbitration Association ("AAA"), and the Arbitrator shall be selected in accordance with the AAA Construction Industry Arbitration Rules and Mediation Procedures. By the mutual agreement of the Parties, the Arbitrator may be used on a continuing basis for the resolution of future matters; provided, however, the foregoing shall not obligate the Parties to use the same Arbitrator more than once. In each instance, the decision of the Arbitrator shall be rendered within thirty (30) days after the hearing on the matter is concluded. The decision of the Arbitrator shall be final, binding upon and non-appealable by the Parties. Within ten (10) days of the Arbitrator's decision, the Parties shall take the necessary and appropriate action to implement the Arbitrator's decision which, in the case of Section 3.4, shall include the deposit by the County of additional funds into the Claims Reserve Fund if the Arbitrator decides that a payment to a Claimant or any portion thereof was improperly allocated

to American or the Consultants. All costs and expenses of the Arbitrator including any fees charged by the Arbitrator shall be paid by the County from the Claims Reserve Fund.

4. Insurance. In order to pay any Claims in excess of the Payment, the County shall at its sole option either self-insure or purchase the Insurance Policy (as defined in this Section 4). Within one hundred and eighty (180) days after the Effective Date, the County shall either (a) provide American with written notice of its intent to self-insure with respect to the payment of Claims in excess of the Payment for an additional One Hundred Million and 00/100 Dollars (\$100,000,000.00) or (b) obtain an insurance policy or policies or insurance product(s) in an aggregate amount of One Hundred Million and 00/100 Dollars (\$100,000,000.00) pursuant to the terms and provisions hereof for the purpose of paying any Claims in excess of the amount of the Payment (the "Insurance Policy"). The Insurance Policy shall be purchased from an insurance company selected by the County and shall be on terms and conditions as reasonably determined by the Parties; provided, however, at a minimum, the Insurance Policy shall cover all Claims and causes of action and forms of relief (excluding punitive damages) and the costs identified in Sections 3.3, 3.4 and 3.7 above, excluding claims covered under existing insurance policies issued to American, its contractors or the County. The County shall pay for the cost of the Insurance Policy or the cost to implement any self-insurance program, which costs shall be part of the MIA rate base and any payments therefore made from sources other than the Claims Reserve Fund.

5. Release. The terms and conditions set forth in this Section 5 shall govern the mutual release of the Parties:

5.1 The County and American hereby release each other and their respective officers, directors, parents, employees, subsidiaries and affiliates, and successors and assigns (collectively

and with respect to each Party, the "Released Parties") from any and all past, present and future claims, demands, actions, causes of action and liability whatsoever, which each Party now has, ever had or hereafter can, shall or may have, against the other's Released Parties, whether known or unknown, fixed or contingent, suspected or unsuspected, foreseen or unforeseen, asserted or unasserted, accrued or unaccrued as of the Effective Date of this Agreement, and whether based on contract, tort, statute or other legal or equitable theory of recovery, concerning, relating to or arising out of (a) Article I of the LCF Agreement, and/or (b) the Improvements or the design, construction, financing other than relating to rates and charges at MIA, or implementation thereof, including, without limitation, claims by the Parties seeking indemnification, contribution, or other relief as a result of claims asserted by any person or entity (collectively, the "Released Matters"). Notwithstanding anything to the contrary in this Agreement, the Parties do not release any claim for breach of either party's obligations under this Agreement, the AUA and/or the Fourth Amendment to the LCF Agreement. Without limitation of the foregoing, each Party expressly releases and forever discharges the other's Released Parties from any and all future unaccrued claims, demands, actions, causes of action and liability concerning, relating to or arising out of the Released Matters. Further, the Parties, to the maximum extent permitted by law, waive all rights under any statutory or common law provision purporting to limit the scope or effect of a general release whether due to lack of knowledge or otherwise.

5.2 American expressly warrants and represents that to the best of its knowledge the Claims Log attached hereto as Schedule "C" are all claims known to American as of the dates of such documents and the documentation and correspondence also attached as part of Schedule "C" reflect additional potential claims related to the Project as of the date of such documentation and correspondence. The Parties also acknowledge and agree that there may be claims related to

the Project that are not yet known to the Parties. Accordingly, the Parties fully expect claims in addition to the claims identified as a part of Schedule "C".

5.3 The releases set forth in Section 5.1 above shall forever be a complete bar to the commencement of prosecution of any action or proceeding by the Parties against each other, on account of any injury or damages allegedly sustained by the Parties concerning, relating to or arising out of the Released Matters, other than any action to enforce this Agreement. Notwithstanding any language to the contrary, nothing in this Agreement shall preclude the County from assessing appropriate fees to American and to other airlines at MIA to the extent the Resolution of Claims exceeds the total amount of the Payment and coverage provided under the Insurance Policy, as may be required by the AUA, under the terms of bond indentures, or other debt instruments issued or to be issued by the County in connection with MIA. To the extent any Claims or other Project expenses are paid from any portion of the Payment or Insurance Policy provided under Section 4, such costs to the Project shall not be included as "capital costs" for purposes of determining the annual calculation of the "Procedures for the Calculation of Cost Based Terminal Rental Rates, Miami International Airport," attached to Resolution No. R-1054-90 adopted by the Miami-Dade County Board of County Commissioners on September 27, 1990.

6. Non-Severability. This Agreement is intended to be performed in accordance with and only to the extent permitted by applicable law. If any provisions of this Agreement, the AUA or the LCF Agreement, as amended or the application thereof to either Party are at any time, or for any reason and to any extent, held to be unlawful, invalid, unenforceable or otherwise not of full force or effect, as determined by a court or federal administrative agency of competent jurisdiction and following the conclusion of any judicial appeals that do not invalidate

the decision, the remainder of this Agreement and its application to the Parties shall remain in full force and effect to the maximum extent permitted by law. If, however, either (1) the County's obligations with respect to Claims as set forth in Section 3 or (2) the County's right to impose or American's obligation to pay the surcharge as set forth in the AUA are at any time or for any reason held to be unlawful, invalid, unenforceable or otherwise ultra vires, as determined by a court or federal administrative agency of competent jurisdiction and following the conclusion of any judicial appeals that do not invalidate the decision, then (a) the County shall immediately return to American via wire transfer of immediately available funds into an account designated by American (i) any uncommitted funds in the Claims Reserve Fund and (ii) an amount equal to any funds the County may have released from the Claims Reserve Fund for the Project not associated with the payment and defense of Claims, (b) the Agreement and the Parties' respective obligations hereunder shall be deemed null and void, and (c) the County may, but shall not be required to, complete the Improvements or the Regional Commuter Facility set forth in the LCF Agreement, as amended. Without limiting the foregoing, it is the Parties' intent that this Section be applied so that each party be placed in the position it was in immediately prior to the Effective Date with respect to the subject matter of this Agreement for Claims for which there has been no Resolution. There are additional terms and provisions regarding the foregoing set forth in the AUA and the Fourth Amendment to the LCF Agreement.

7. Notices. Any notice required or intended to be sent to the County or American under this Agreement shall be sufficient only if sent by hand delivery or certified mail, return receipt requested, postage paid using the following addresses:

If to County: Miami-Dade County
111 N.W. 1st Street, Suite 2910
Miami, Florida 33128
Attn: County Manager

With copies to: Miami-Dade County Attorney's Office
Aviation Division
P.O. Box 592075 AMF
Miami, Florida 33159

Attn: County Attorney

If to American: American Airlines, Inc.
4333 Amon Carter Boulevard
MD 5317 HDQ
Fort Worth, Texas 76155
Attn: Vice President – Corporate Real Estate

With copies to: American Airlines, Inc.
4333 Amon Carter Boulevard
MD 5618 HDQ
Fort Worth, Texas 75261
Attn: Senior Vice President and General Counsel

Either Party may change the address for notices and payment by giving the other Party five (5) days prior written notice of any such change in the manner provided in this Section.

8. Entire Agreement. This Agreement, the AUA and the Fourth Amendment to the LCF Agreement embody the entire agreement between the parties with respect to the subject matter hereof. This Agreement may not be modified or terminated except by written amendment by the Parties.

9. Attorneys' Fees. If either County or American enforces the terms of this Agreement by court proceedings, the prevailing party as determined by the court shall be entitled to recover from the other Party all such costs and expenses of such proceedings, including, but not limited to, court costs, and reasonable attorneys' fees and costs (at both the trial and appellate levels), expressly including attorneys' fees and costs incurred by the prevailing party in enforcing this Attorneys' Fees provision.

10. Governing Law; Venue. This Agreement shall be interpreted and construed in accordance with and governed by the laws of the State of Florida. Venue for litigation concerning this Agreement shall be in Miami-Dade County, Florida.

11. No Third Party Rights. Except as may be expressly set forth herein, the Parties expressly acknowledge that it is not their intent to create any rights or obligations in any third person or entity under this Agreement.

12. Authority; Enforceability. The Parties have the full right, power and authority to enter into, execute and deliver this Agreement and to carry out the terms and provisions of this Agreement. The Parties have taken all necessary action to authorize each of them to execute and deliver this Agreement and to carry out the terms and provisions of this Agreement. This Agreement constitutes the legal, valid and binding agreement of Parties, enforceable in accordance with its respective terms.

13 Interpretation. Both Parties have substantially contributed to the drafting and negotiation of this Agreement and this Agreement shall not, solely as a matter of judicial construction, be construed more severely against one of the Parties than the other. The Parties hereto acknowledge that they have thoroughly read this Agreement, including Schedules "A" through "C" attached hereto, and have sought and received whatever competent advice and counsel was necessary for them to form a full and complete understanding of all rights and obligations herein. The Parties acknowledge and agree that this Agreement is not, and shall not be deemed or construed to be, either an indemnification agreement or a construction contract for a public agency or in connection with a public agency's project.

14. No Waiver. The waiver by either Party of any breach or default by the other Party under any of the terms of this Agreement shall not be deemed to be, nor shall the same constitute, a waiver of any subsequent breach or default on the part of the other Party.

15. Other Agreements. This Agreement, the Fourth Amendment to the LCF Agreement and the AUA incorporate and include all prior negotiations, correspondence, conversations, agreements, and understandings applicable to the matters contained herein and the Parties agree that there are no commitments, agreements or understandings concerning the subject matter of this Agreement that are not contained in this Agreement, the Fourth Amendment to the LCF Agreement or the AUA.

16. If any administrative or legal proceeding is commenced by any person, company or governmental agency in which the terms of the AUA, the LCF Agreement, as amended or this Agreement, are challenged in any manner, then, to the extent the County is a party to such challenge or if MIA's finances or rate base is affected in any manner as a result of such challenge, American shall provide reasonable cooperation with the County in the defense of such challenge. Reasonable cooperation shall mean making available to the County (a) internal American personnel and (b) copies of records and documents that are reasonably needed or required in the defense of such challenge relating to the Improvements, the Project, the LCF Agreement, as amended, the AUA or this Agreement. To the extent American chooses to retain its own independent consultants, experts or attorneys to assist the County in defending such challenge, American may do so at its own expense. Nothing in this Section 16 shall require American to disclose information or documents that are protected under the work product doctrine, the attorney-client privilege or any other applicable common law or statutory privilege.

17. American acknowledges and agrees that except for the costs identified in Section 16 above, all costs arising out of the LCF Agreement, as amended, this Agreement, the construction of the Project, and resolution of any disputes relating to the Project that exceed the amount of the Payment and proceeds from the Insurance Policy are proper costs of MIA and are eligible for inclusion in the MIA's rate base.

IN WITNESS WHEREOF, the Parties hereto, by their duly authorized and appropriate officers or officials, have executed this Agreement as of the date first above written.

Attestation:

MIAMI-DADE COUNTY, BY ITS BOARD OF
COUNTY COMMISSIONERS

Harvey Ruvin, Clerk

By: _____

By: _____
George M. Burgess, County Manager

APPROVED AS TO LEGAL SUFFICIENCY BY
THE OFFICE OF THE COUNTY ATTORNEY:

By: _____
Assistant County Attorney

AMERICAN AIRLINES, INC.

By: _____
Name: _____
Title: _____

SCHEDULE "A"

PAYMENT AMOUNTS

PAYMENT DATE	PAYMENT AMOUNT
Within 5 business days of Effective Date	\$15,000,000.00
1 st Anniversary of Effective Date	\$15,000,000.00
2 nd Anniversary of Effective Date	\$10,000,000.00
3 rd Anniversary of Effective Date	\$10,000,000.00
4 th Anniversary of Effective Date	\$10,000,000.00
5 th Anniversary of Effective Date	\$10,000,000.00
6 th Anniversary of Effective Date	\$10,000,000.00
7 th Anniversary of Effective Date	\$10,000,000.00
8 th Anniversary of Effective Date	\$7,500,000.00
9 th Anniversary of Effective Date	\$7,500,000.00

SCHEDULE "B"

CONSULTANTS

1. Frank Erickson
2. David Brush
3. Jobe Corporation (Carl Zimmerman and Jim Nies) (only for Claims relating to, arising from or in connection with acts or omissions occurring prior to the Effective Date)

SCHEDULE "C"

CLAIMS

1. Litigation and Claims Log, dated as of May 1, 2005 (list itemizing Reservations of Rights on file with the Clerk of the Board).
2. Letter from Edward Soto Esq. to Henry Gillman, Esq., dated March 10, 2005, including all information concerning claims and potential claims annexed thereto (copy on file with the Clerk of the Board).
3. Letter from Edward Soto, Esq. to Henry Gillman, Esq., dated March 18, 2005, including all information concerning claims and potential claims annexed thereto (copy on file with the Clerk of the Board).

LITIGATION and CLAIMS LOG**May 1, 2005**

This Litigation and Claims Log ("Log") reflects both existing and potential claims related to or in connection with the Project (as defined in the Agreement). This Log includes: (i) claims asserted against entities in addition to American Airlines, Inc.; (ii) claims that have not and may never be asserted against American; and, (iii) claims that may be duplicative of, or subsumed into, other claims on this list. This Log does not, and cannot, reflect all potential claims related to or in connection with the Project. The dollar amount listed with each claim is not the actual or estimated value of such claim; American makes no representations as to the actual or estimated value of any claim on the Log.

PLAINTIFF/CONTRACTOR	PROJECT NO.	PLAINTIFF/ CONTRACTOR'S CLAIM
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In Litigation:

Acousti Engineering Co.	739A	\$722,867
ADF	737D	\$2,477,705
Advanced Roofing	745B	\$314,000
Ceilings Plus/Acousti	739A	\$111,048
Central Florida	745A	\$749,240
Central Florida	737A	\$125,000
Gray Construction	745E	\$1,429,422
Gray Construction	737C (At Risk)	\$750,000
Gray Construction	737G	\$1,477,455
Gray Construction	768A	\$750,000
MCM Corp.	Various	\$15,600,000
Murton Roofing/Gray Construction	737C (At Risk)	\$250,000
Time Engineering/Gray Construction	745E	\$8,999
Time Engineering/Gray Construction	737G	\$14,956
TJ Builders	745E	\$1,839,028

Delay Claims:

Acousti Engineering Co.	739F	\$255,706
Advanced Roofing	745E	\$249,787
Advanced Roofing	737G	\$989,481
Advanced Roofing	741E	\$408,326
Aluminum & Glass Door	739F	\$2,485
Aventura	769A	\$927,693
Aneco	741E	\$3,073,146
Baker Concrete	745B	\$2,628,946
Baker Concrete	737E	\$3,745,095
Carivon	747A	\$234,465
Carivon	747A	\$58,616
Carivon	747A	\$120,000
Caretti (AA)	739C-1	\$451,669
Dynalectric	745B	\$815,000
Dynalectric	745E	\$1,326,026
Fisk Electric	739F	\$2,815,794

LITIGATION and CLAIMS LOG

May 1, 2005

PLAINTIFF/CONTRACTOR	PROJECT NO.	PLAINTIFF/ CONTRACTOR'S CLAIM
Fred McGilvray, Inc.	741E	\$233,475
Fred McGilvray, Inc.	737G	\$960,000
Gate Precast	745B	\$24,679
Honeywell	Various	\$1,228,000
J.J. Kirlin	745E	\$2,823,788
J.J. Kirlin	737G	\$5,353,864
J.J. Kirlin	739H	\$604,800
J.J. Kirlin	739F	\$960,000
J.J. Kirlin	741E	\$3,688,081
Kone	745B	\$660,407
Kone	745E	TBD
Kone	737G	\$1,066,354
Kone	741E	\$454,422
Marks Brothers	732B	\$1,190,022
Masonry Arts	745B	\$3,500,000
Masonry Arts	737G	\$3,500,000
Masonry Arts	741E	\$3,500,000
Merkury Development	745B	\$192,750
Metallic	745B	\$163,179
N.R. Windows	737G	\$99,295
N.R. Windows	739A	\$56,958
N.R. Windows	739F	\$188,015
N.R. Windows	739H	\$221,792
N.R. Windows	741E	\$70,520
Sumitomo (SCOA)	702A	\$17,000,000
Surety & Construction Consultants	737G	\$1,477,455
Talmac	741E	\$0
Talmac	741E	\$599,427
Talmac	737G	\$0
Talmac	737G	\$775,518
Thornton	739F	\$174,318
Thornton	741A	Unspecified
Weathertrol	745B	\$865,000
Wildcat	745B	\$10,150
Wildcat	745E	\$208,012

Unapproved Change Orders / Disputed Work Claims:

Acousti Engineering Co.	739F	\$144,535
ADF	737D	\$81,388
Advanced Roofing	745B	\$9,900
AGI	739H	\$34,000
AGI	741E	\$458,692

LITIGATION and CLAIMS LOG

May 1, 2005

PLAINTIFF/CONTRACTOR	PROJECT NO.	PLAINTIFF/ CONTRACTOR'S CLAIM
Aneco	741E	\$21,436
Aneco	741E	\$1,520
Aventura	769A	Unspecified
Baker Concrete	745B	\$581,614
Baker Concrete	737E	\$479,861
Caretti (AA)	739C-1	\$416,253
Crown Corr	737G	\$8,625
Crown Corr	741E	\$34,000
Dash Door	747A	\$1,773
Dash Door	739F	\$15,898
DDA Engineers	741A	\$79,000
DDA Engineers	741E	\$123,000
DKG	745B	\$24,000
Dynaletric	741E	\$25,355
Dynaletric	745B	\$519,993
Dynaletric	745E	\$27,501
ELCI	739F	\$3,542
Everett Painting	737G	\$59,342
Firestop International	???	\$15,889
Fisk Electric	737G	\$1,497,171
Fisk Electric	737G	\$2,513
Fisk Electric	737G	\$765
Fisk Electric	737G	\$48,515
Fisk Electric	737G	\$98,992
Fisk Electric	737G	\$34,913
Fisk Electric	737G	\$62,780
Fisk Electric	737G	\$45,780
Fisk Electric	737G	\$350,987
Fisk Electric	737G	\$377,712
Fisk Electric	737G	\$39,964
Fisk Electric	737G	\$9,793
Fisk Electric	737G	\$33,517
Fisk Electric	737G	\$75,048
Fisk Electric	737G	\$21,975
Fisk Electric	737G	\$77,393
Fred McGilvray, Inc.	741E	\$432,594
Gate Precast	745B	\$50,924
Gray Construction	737G	Unspecified
J.J. Kirlin	737G	\$2,374
J.J. Kirlin	737G	Unspecified
J.J. Kirlin	737G	\$36,338
J.J. Kirlin	737G	\$40,000

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LITIGATION and CLAIMS LOG

May 1, 2005

PLAINTIFF/CONTRACTOR	PROJECT NO.	PLAINTIFF/ CONTRACTOR'S CLAIM
J.J. Kirlin	737G	\$156,438
J.J. Kirlin	739F	\$32,841
J.J. Kirlin	739H	\$17,633
J.J. Kirlin	741E	\$897,138
Kone	737G	TBD
Kone	737G	TBD
Kone	737G	TBD
Kone	737G	TBD
Kone	737G	TBD
Kone	737G	TBD
Kone	737G	TBD
Kone	737G	\$573,179
Kone	741E	\$329,243
Kone	745B	\$574,285
Lotspeich	739H	\$83,628
Lotspeich	739C-3	\$25,179
Lotspeich	739F	\$116,799
Masonry Arts	737G	\$124,279
Masonry Arts	741E	\$20,136
Masonry Arts	745B	\$477,721
Merkury Development	745B	\$364,766
N.R. Windows	739F	TBD
N.R. Windows	737G	Unspecified
N.R. Windows	739H	Unspecified
N.R. Windows	741E	Unspecified
People's Plumbing	745B	\$471,679
Skilled Services	741E	\$232,000
Spartan Masonry	745B	\$11,680
Surety & Construction Consultants	737G	Unspecified
Talmac	741E	\$36,000
Thornton	741A	Unspecified
Weathertrol	745B	\$1,296,920
Weathertrol	739C-1	\$838
Wildcat	745B	\$2,386
Wildcat	745E	\$15,217

Projected Claims - Not Yet Asserted:

Advanced Roofing	745B	\$186,740
AGI	739F	\$752,400
AGI	741E	\$3,073,146
Aneco	739H	\$481,200
Aventura	769A	Unspecified

LITIGATION and CLAIMS LOG

May 1, 2005

PLAINTIFF/CONTRACTOR	PROJECT NO.	PLAINTIFF/ CONTRACTOR'S CLAIM
Baker Concrete	745B	\$25,000
Caretti	739C-1	\$503,800
Caretti	739F	\$752,400
Crompton	739G	\$250,000
Crompton	747D	\$500,000
DKG	745B	\$2,966
Dozier & Dozier	745B	\$758,000
Dynalectric	739A	\$38,605
Earl Hagood	739F	\$752,400
Earl Hagood	741E	\$180,000
Fisk Electric	737G	\$955,800
Fred McGilvray, Inc.	737G	\$1,274,400
Gate Precast	737G	\$888,540
Gate Precast	741E	\$180,000
J.J. Kirlin	739F	\$752,400
J.J. Kirlin	739H	\$481,200
J.J. Kirlin	763AB	\$2,000,000
J.J. Kirlin	739A	\$481,200
J.J. Kirlin	739A	\$37,571
Kone	737G	\$184,261
Kone	741E	\$130,868
Lotspeich	739H	\$481,200
Lotspeich	739H	\$718,428
Lotspeich	739F	\$541,599
MacGregor	739F	\$752,400
Masonry Arts	737G	\$1,062,000
Masonry Arts	741E	\$830,400
Metallic	739A	\$481,200
Metallic	739H	\$481,200
Metallic	745E	\$1,045,200
Metallic	737G	\$920,400
Metallic	741E	\$830,400
NKI	739A	\$481,200
NKI	739F	\$752,400
Siemens	703A	\$9,650,510
Surety & Construction Consultants	737G	Unspecified
TAAT	7??	Unspecified
Talmac	741E	\$2,116
Earl Hagood	739A	\$481,200
Thornton	739F	Unspecified
Thornton	739H	\$481,200
Thyssen Stearns	762B	\$1,000,000

LITIGATION and CLAIMS LOG

May 1, 2005

PLAINTIFF/CONTRACTOR	PROJECT NO.	PLAINTIFF/ CONTRACTOR'S CLAIM
Underground Construction	726A	\$1,000,000
Wildcat	745E	\$70,000
OCIP Claims		\$1,500,000

Reservation of Rights ("ROR's") in Approved Change Orders (According to U.S. Cost, Inc.) -- Not Yet Asserted As Claims:

ROR's		\$18,218,839
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Miscellaneous:

Miscellaneous Ongoing		\$1,125,500
Claims Consultants		\$2,000,000
Future Projects GCs		\$2,992,000

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WEIL, GOTSHAL & MANGES LLP

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EDWARD SOTO
DIRECT LINE (305) 577-3177
E-MAIL: edward.soto@weil.com

March 10, 2005

VIA HAND DELIVERY

Henry Gillman
Miami International Airport
Concourse A, 4th Floor
Miami, FL 33122

Re: **Information Requested by Miami-Dade County**

Dear Henry:

At our meeting last Thursday, you asked us to try to pull together the following information as soon as possible:

- 1) A list of the claims by contractors and subcontractors for work on the North Terminal Development Project ("NTDP");
 - 2) A list of all licenses to Turner-Austin Airport Team ("TAAT") software so that they can be assigned to Miami-Dade County ("County");
 - 3) A list of all construction permits;
 - 4) An inventory of all materials in storage;
 - 5) A list of all storage sites;
 - 6) Information regarding claims by Sumitomo Corporation of America;
- and
- 7) A list of claims that may be made against contractors and subcontractors.

2005 MAR 10 PM 6:22
RECEIVED
COURT REPORTER
MARTIN DEPAOLIS

March 10, 2005

Page 2

Today we received a copy of an e-mail from Carlos Bonzon to you requesting similar information.

In response to this request, and consistent with your conversation with Richard Weiss earlier today, we can deliver the following information at this time:

1. Copies of the Construction Management At Risk Agreement ("At Risk Agreement"), the Construction Management Agreement, and the Letter-Agreement Regarding the NTDP Construction Manager Services for Trade Bidding.
2. Project Authorization Agreements Related to the NTDP. It has been represented to us that these are all of the Project Authorization Agreements ("PA") related to the NTDP. These PAs implicate the At Risk and/or other agreements related to the NTDP.
3. Change Log Report -- TAAT Projects. This log is maintained by TAAT and has been represented to us as containing a listing of change orders on the NTDP. We are in the process of confirming whether this log is a full and complete listing of the change orders on the NTDP.
4. Subcontractor Change Orders With Reservations Of Rights. This log is maintained by US Cost and has been represented to us as containing a listing of Change Orders in which contractors and subcontractors reserved their rights to assert delay claims. We are in the process of confirming whether this log contains a full and complete listing of all such change orders.
5. Performance and Payment Bonds Issued to TAAT. The performance and payment bonds we are providing for your review have been issued to TAAT for projects on the NTDP. We are in the process of confirming whether this is a full and complete collection of the performance and payment bonds issued to TAAT for projects on the NTDP.
6. List of Pending Claims Against TAAT. TAAT has represented that this list contains all the pending claims against them. We are in the process of verifying that this list contains a full and complete record of the pending claims against TAAT.
7. List of Settled Claims Against TAAT. TAAT has represented that this list contains the universe of settled claims against them. We are in the process of confirming that this list contains a full and complete record of the settled claims against TAAT.

March 10, 2005

Page 3

8. Time Impact Analyses ("TIA"). These were prepared by TAAT, and we are in the process of confirming whether this is a full and complete collection of TIAs.

9. Sumitomo Change Orders. These Change Orders relate to the Sumitomo Automatic People Mover project. They are relevant to Sumitomo's pending claims against the NTDP. We are in the process of confirming whether this is full and complete collection of Sumitomo's Change Orders.

10. Current Litigation Asserted By Contractors Relating to the NTDP:

- *Gray Construction & Associates, Inc. v. Turner Austin Airport Team, American Airlines, Inc.*, Case No. 04-6081 (Project No. 768A)
- *Gray Construction & Associates, Inc. v. Turner Austin Airport Team, American Airlines, Inc.*, Case No. 04-6078 (Project No. 737C)
- *Gray Construction & Associates, Inc. v. Turner Austin Airport Team, et al.*, Case No. 03-17307 (Project No. 737G)
- *Gray Construction & Associates, Inc. v. Turner Austin Airport Team, et al.*, Case No. 03-17325 (Project No. 745E)
- *Aneco Electrical Construction, Inc. v. Turner Austin Airport Team, et al.*, Case No. 04-21387 (Project No. 741E)

We are in the process of confirming whether this is a full and complete list of current litigation by contractors relating to the NTDP.

We will contact you as more information becomes available.

Sincerely,



Edward Soto, Esq.

Encls.

WEIL, GOTSHAL & MANGES LLP

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March 18, 2005

VIA HAND DELIVERY

Henry Gillman, Esq.
Assistant County Attorney
Miami International Airport
Concourse A, 4th Floor
Miami, FL 33122

RECEIVED
COUNTY ATTORNEY
MIA INTL AIRPORT
2005 MAR 18 PM 4:12

Re: Information Requested by Miami-Dade County

Dear Mr. Gillman:

As a follow up to our letter dated March 10, 2005, enclosed are the following additional documents concerning the North Terminal Development Program ("NTDP") in response to your request for information about claims: (1) documents relating to the claim by Sumitomo Corporation of American; and, (2) a Litigation and Claims Log. Separately, we will address the following information in connection with the due diligence period contemplated by the Fourth Amendment to the Lease Construction and Financing Agreement ("Fourth Amendment") currently under discussion between the County and American: (1) a list of all licenses to software owned by the Turner-Austin Airport Team; (2) a list of all construction permits; (3) an inventory of all materials in storage; and, (4) a list of all storage sites.

We continue to look for information responsive to your request, but we want to be clear that the documents and information we have provided to date do not and can not reflect all potential claims related to the NTDP, for a number of reasons, including that those potential claims may not yet be known to American. Notwithstanding that, as the parties have discussed in negotiations over a possible Fourth Amendment, American expects the County to fully release and indemnify American for

Henry Gillman, Esq.

March 18, 2005

Page 2

any and all past, present and future claims whether known or unknown, asserted or unasserted, accrued or unaccrued, in any way relating to Article I of the Lease, Construction and Financing Agreement ("Agreement") or the Improvements (as defined in the Agreement).

We will contact you as more information becomes available.

Sincerely,

A handwritten signature in cursive script that reads "Edward Soto".

Edward Soto

Encls.

**FIRST AMENDMENT TO
AIRLINE USE AGREEMENT BETWEEN
MIAMI-DADE COUNTY AND AMERICAN AIRLINES INC.
MIAMI INTERNATIONAL AIRPORT**

THIS FIRST AMENDMENT TO THE AIRLINE USE AGREEMENT by and between Miami-Dade County ("County") and American Airlines, Inc. ("American"), is entered into as of this _____ day of _____, 2005.

WHEREAS, American and County entered into an Airline Use Agreement ("AUA") as of May 1, 2002; and

WHEREAS, American and County desire to enter into this First Amendment to the AUA in order to confirm American's acknowledgment, agreement, and voluntary commitment to make a contribution towards costs of construction of what is known as the Concourse A-D Project ("Project").

NOW THEREFORE, in consideration of the premises, and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged by American, and intending to be legally bound hereby, the parties agree as follows:

1. The parties agree to amend Article 5 of the AUA entitled "Rates and Charges" by adding the following sub-article thereto:

D. (1) Pursuant to and in accordance with the Claims Administration Agreement between American and the County dated _____, American shall pay the County the amount of one hundred five million dollars (\$105,000,000) (the "Payment") towards the cost of the Project and the Payment will be paid to the County by wire transfer of immediately available funds in U.S. dollars in the following amounts and on the indicated dates:

PAYMENT DATE	PAYMENT AMOUNT
Within 5 business days of Effective Date (as defined in Claims Administration Agreement)	\$15,000,000.00
1 st Anniversary of Effective Date	\$15,000,000.00
2 nd Anniversary of Effective Date	\$10,000,000.00
3 rd Anniversary of Effective Date	\$10,000,000.00

4 th Anniversary of Effective Date	\$10,000,000.00
5 th Anniversary of Effective Date	\$10,000,000.00
6 th Anniversary of Effective Date	\$10,000,000.00
7 th Anniversary of Effective Date	\$10,000,000.00
8 th Anniversary of Effective Date	\$7,500,000.00
9 th Anniversary of Effective Date	\$7,500,000.00

(2) American acknowledges the Payment is a contribution toward the costs of the Project already incurred and future anticipated costs, and that the Payment is fair, reasonable, and not unjustly discriminatory.

(3) American acknowledges that the County has the regulatory right to modify the equalized rates and charges methodology for the Terminal Building (the "Methodologies") approved by the County in Resolution No. R-1054-90. American further acknowledges that the Airlines at Miami International Airport have been consulted by the County as required by Article 5(C) of the AUA regarding the County's intent to modify the Methodologies in a First Amendment thereto so as to impose a surcharge upon American to recover any unpaid amounts of the Payment if American fails to make the Payment or any installment thereof as required by and in accordance with the Claims Administration Agreement. American hereby consents to the First Amendment to the Methodologies.

(4) American acknowledges and agrees that if it fails to pay the Payment or any installment thereof as required by and in accordance with the Claims Administration Agreement, (a) the County shall be entitled to recover the balance of the Payment through the surcharge provided by the First Amendment to the Methodologies and (b) the County shall remain obligated with respect to the defense and payment of the Claims (as defined in and required by the Claims Administration Agreement). If, however, the County's obligations with respect to Claims as set forth in Section 3 of the Claims Administration Agreement are at any time or for any reason held to be unlawful, invalid, unenforceable or otherwise ultra vires, as determined by a court or federal administrative agency of competent jurisdiction and following the conclusion of any judicial appeals that do not invalidate the decision, then the County shall not be entitled to recover the balance of the Payment through the surcharge and the terms and provisions of this First Amendment to the AUA and the First Amendment to the Methodologies shall be deemed null and void. Except as set forth in the preceding sentence, in the event the County cannot recover the balance of the Payment through the surcharge, the County may avail itself of any other legal or equitable remedies to recover the entire unpaid balance of the Payment. American further agrees that it will not take a position in any court, bankruptcy or administrative proceeding

that challenges the validity, legitimacy, or reasonableness of the surcharge. American shall not have any payment obligation to the County under this First Amendment to the AUA, the First Amendment to the Methodologies, or the Claims Administration Agreement other than the obligation to pay the surcharge pursuant to the terms set forth in this paragraph or the obligation to make the Payment as set forth in the Claims Administration Agreement

2. The terms, conditions and covenants of this First Amendment to the AUA shall inure to the benefit of and be binding upon the parties hereto and their permitted successors and assigns. This provision shall not constitute a waiver of any conditions prohibiting assignment.

3. Except as amended herein, each and every term and condition of the AUA shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have caused this First Amendment to the AUA to be executed by their appropriate officials as of the date first above written.

**MIAMI-DADE COUNTY, THROUGH
BOARD OF COUNTY COMMISSIONERS**

AMERICAN AIRLINES, INC.

BY: _____
COUNTY MANAGER

BY: _____
NAME: _____
TITLE: _____

ATTEST: Harvey Ruvin, Clerk

By: _____
Deputy Clerk

**FIRST AMENDMENT
TO
TERMINAL RENTS AND USER FEES
RATE-SETTING METHODOLOGIES
MIAMI INTERNATIONAL AIRPORT**

This is the First Amendment to the "Terminal Rents and User Fees Rate-Setting Methodologies" applicable to Miami International Airport's ("MIA") Terminal Building ("Methodologies"). The Miami-Dade County Board of County Commissioners approved the Methodologies in Resolution No. R-1054-90, as adopted by the Board on September 27, 1990.

Under Section 125.012(9), Florida Statutes (2004), the County has the regulatory power to fix, regulate and collect rates and charges for the services and facilities furnished to users of MIA. Under this section, and in conformance with Section 25-1.2(a) of the Miami-Dade County Code, the County has established that the Methodologies approved by the Board in Resolution No. R-1054-90 shall be the basis for the rates and charges applicable to the Terminal Building of MIA.

The airlines using MIA and executing their respective Airline Use Agreements ("AUA") have acknowledged in Article 5B of the AUAs that Terminal Building rents and user fees, including concourse use charges, shall be based on the Methodologies. Pursuant to Article 5C of each of the AUAs, this First Amendment to the Methodologies is subject to consultation with the Airlines at MIA by the County, through its Aviation Department, and the consent of the Trustee under the Amended and Restated Trust Agreement of 2002.

Accordingly, effective as of the effective date of the resolution of the Board of County Commissioners approving this First Amendment to the Methodologies, the Methodologies are hereby modified as follows:

1. The equalized rate setting Methodologies shall continue to apply to all Terminal Building facilities as defined in the Methodologies. As provided in the Claims Administration Agreement ("Claims Administration Agreement") between American Airlines, Inc. ("American") and the County dated _____ and acknowledged in the First Amendment to the Airline Use Agreement ("Amended AUA") between American and the County dated _____, American is paying to the County the amount of One Hundred Five Million Dollars (\$105,000,000.00) (the "Payment") in accordance with a schedule of payments set forth in the Claims Administration Agreement for costs incurred and to be incurred for construction of the A-D Concourse Project. ("Project").

2. If American fails to make the Payment or any installment thereof as required by and in accordance with the Claims Administration Agreement, (a) the County shall impose a surcharge on all rents and user fees covered by the Methodologies upon American or its successors and assigns for operating rights and privileges at MIA and use of any services or facilities at MIA to recover any unpaid amounts of the Payment and (b) the County shall remain obligated with respect to the defense and payment of the Claims (as defined in and required by the Claims Administration Agreement).

3. The amount of the surcharge in any fiscal year shall equal the installment amount due from American or its successors and assigns for that corresponding fiscal year under the Agreements. The outstanding annual installment amount shall be divided by 12 and the resulting monthly dollar amount shall then be spread ratably, in a manner to be determined exclusively by the County, among the rates and charges imposed by the Methodologies upon American. In spreading the surcharge among the various cost components covered by the Methodologies, the County shall not be obligated to spread them equally, but may determine how much of the total surcharge amount shall be applied to each of the cost components.

4. The surcharge shall be in addition to the amounts otherwise due from American or its successors and assigns under the Methodologies. American or its successors and assigns shall pay the surcharge to the County in the manner that the rates and charges imposed by the Methodologies are paid.

5. The County is entitled to impose the surcharge on American or its successors and assigns until the County has recovered the balance of the \$105,000,000 Payment set forth in the Claims Administration Agreement. If, however, the County's obligations with respect to Claims as set forth in Section 3 of the Claims Administration Agreement are at any time or for any reason held to be unlawful, invalid, unenforceable or otherwise ultra vires, as determined by a court or federal administrative agency of competent jurisdiction and following the conclusion of any judicial appeals that do not invalidate the decision, then the County shall not be entitled to recover the balance of the Payment through the surcharge and the terms and provisions of this First Amendment to the Methodologies shall be deemed null and void.

6. The County shall have the right to further modify this First Amendment to the Methodologies in order to be fully in compliance with the County's grant assurance requirements under federal law; provided, however, that any such modification shall not cause the surcharge established by this First Amendment to result in the County's recovery of more than a total of \$105,000,000 in total payments.

7. Nothing in this First Amendment to the Methodologies shall preclude the County from further revising the Methodologies to the extent not prohibited by

law or by contract. Except as provided in this First Amendment, the Methodologies approved by the Board in Resolution No. R-1054-90 continue to apply in full force and effect.

-End-