



11/14/16

Aviation Group Client Update

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TRANSPORTATION RESEARCH BOARD (TRB) RELEASES RESEARCH ON CONTRACT RISK MANAGEMENT FOR AIRPORT AGREEMENTS.

The TRB recently released a research on [Contract Risk Management for Airport Agreements](#) as Legal Research Digest 30 (LRD 30) under its Airport Cooperative Research Program. The research provides a general overview of the types of agreements that are typically used by airports of all sizes, identifies primary risks associated with each type of agreement, and serves as a guide for airport management as they seek legal counsel for applicable state and federal laws.

There are over 4,000 airports in the country, most of which are owned by local governments. Of that number, city ownership accounts for 38 percent, followed by regional airports at 25 percent, single county at 17 percent, and multi-jurisdictional at 9 percent. Primary legal services to these airports are, in most cases, provided by municipal, county, and state attorneys. Safety and security are of paramount concern but there are also additional risks that rise from normal operations, spanning from the basic context of tenancies and ground transportation to complex capital improvement programs. A significant portion of the risk that arises in airport operations can be addressed through risk-shifting and risk-sharing provisions in standard aviation sector agreements and through the use of tailored insurance programs.

Some of the standard aviation sector agreements that form the core of airport operations and incident risk include: Professional Services, Construction, Repair/Maintenance, Tenant/User, Airline Signatory, Ground Transportation, Vendor/Purchasing, and Software/Information Technology (IT). LRD 30 reviews the common elements in these agreements and provides examples in use by airports across the country.

[ACRP projects](#) are supported by the non-profit Transportation Research Board with funding from the Federal Aviation Administration.

If you have any questions or would like further information, please contact Shelley Ewalt.

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McBreen & Kopko's Aviation Group represents air carriers, fixed base operators (FBOs), airport managers, aviation service providers, and business aircraft owners and operators on a wide range of aviation issues including regulatory matters, commercial transactions, aircraft finance matters, and bankruptcy and creditors' rights.