Introduced November 29, 2022, by Councilman Borchert, seconded by Councilman Tamborella, (by request of Administration)

Item No. 22-11-3455

ORDINANCE NO. 4109

An ordinance authorizing the lease of the premises commonly referred to as "Hangar 11" at the Slidell Airport to Michael F. Roeling, Inc. and authorizing the Mayor of the City of Slidell to execute and administer a written lease with respect to same.

WHEREAS, pursuant to an Inter-Governmental Agreement, effective January 25, 1990, between the City of Slidell, the Parish of St. Tammany, and St. Tammany Airport Authority No. 1, the City of Slidell leases and operates the Slidell Airport; and

WHEREAS, the Slidell Airport is eligible to receive, and has received, funding from the Federal Aviation Administration; and

WHEREAS, Hangar 11 at the Slidell Airport was constructed by Thomas A. Knight under a land lease with the City of Slidell, and the ownership of the said hangar improvement vests with the City upon termination of that land lease, which terminates by expiration on December 4, 2022; and

WHEREAS, after the expiration of the Knight land lease, Hangar 11 should continue to be used for aeronautical purposes, and it is not needed for a public use of the City; and

WHEREAS, Louisiana Revised Statute 2:135.1 and other statutory authority authorizes the City to lease land, areas for operations space, and improvements at the Slidell Airport to any person for a fair and reasonable price; and

WHEREAS, Michael F. Roeling, Inc. desires to lease Hangar 11, and the land connected therewith, under terms substantially set forth in the "Slidell Airport Aeronautical

ORDINANCE NO. 4109 ITEM NO. 22-11-3455 PAGE 2

Hangar Lease Agreement" attached hereto as Exhibit A, which lease includes a one (1) year term, effective January 1, 2023, and the City is agreeable to such a lease; and

WHEREAS, the intended operations of Michael D. Roeling, Inc. are aeronautical in nature and consistent with the operations of the Slidell Airport.

NOW THEREFORE, BE IT ORDAINED by the Slidell City Council that it does hereby authorize the lease of the premises commonly referred to as "Hangar 11" at the Slidell Airport to Michael F. Roeling, Inc. under the terms substantially set forth in the "Slidell Airport Aeronautical Hangar Lease Agreement" attached hereto as Exhibit A, and the Mayor of the City of Slidell is authorized to execute and administer the lease for same.

ADOPTED this 20th day of December, 2022.

Bill Borchert

President of the Council Councilman at-Large

Grea Cromer

Mayor

Thomas P. Reeves Council Administrator

DELIVERED 12 21 22 8:40 am to the Mayor RECEIVED 10:00 am from the Mayor

SLIDELL AIRPORT AERONAUTICAL HANGAR LEASE AGREEMENT

This AERONAUTICAL HANGAR LEASE AGREEMENT (this "Lease" or "Agreement") is made and entered into effective the 1st day of January, 2023, by and between:

The CITY OF SLIDELL, LOUISIANA, a municipality and political subdivision of the state of Louisiana, whose mailing address, is P.O. Box 828, Slidell, LA 70459, appearing herein through its duly authorized Mayor, George G. Cromer, and hereinafter referred to as "LESSOR."

AND

MICHAEL F. ROELING, INC., a Louisiana business corporation, whose mailing address is 4160 Poche Ct. West, New Orleans, LA 70129, appearing herein though its duly authorized President, Michael F. Roeling, Jr., and hereinafter referred to as "LESSEE."

It is the intent of LESSOR to create an aeronautical hangar lease that complies with Federal Aviation Administration ("FAA") regulations and all applicable federal, state, and local laws and regulations, while providing fair and equitable rights for LESSEE upon public lands. The parties herein understand that publicly owned lands cannot be encumbered in perpetuity.

1. The Leased Premises

Pursuant to the provisions and conditions hereof, LESSOR hereby leases to LESSEE, and LESSEE hereby leases from LESSOR, the property hereinafter referred to as "the Leased Premises," described as:

That certain parcel or tract of land lying and being situated in Sec. 19, T8S, R14E, Greensburg Land District, at the Slidell Airport, in St. Tammany Parish, Louisiana, being more fully described as follows, to wit:

From the Section corner common to Sections 17, 18, 19, and 20, T8S, R14E, proceed S 00 degrees 42'41"E a distance of 606.00 feet to a point; thence, S 89 degrees 17'19"W 539.34 feet to the point of beginning of the property hereinafter described.

From the iron at the point of beginning, which is also the northeast corner of the Schroeder tract, proceed S 88 degrees 55'14"E a distance of 90.00 feet to an iron; thence N 01 degrees 04'46"W a distance of 60.00 feet to an iron; then, N 88 degrees 55'14"E a distance of 90.00 feet to an iron; thence S 01 degrees 04'46"E a distance of 60.00 feet to the iron at the point of beginning; containing 0.124 acres, all being more completely as shown on plat of survey job no. 101291 by Clinton P. Lovell, P.L.S., Louisiana Registered Land Surveyor No. 4520, being dated May 4, 1992, together with all improvements thereon, including an airplane hangar (Hangar 11) approximately 3,338 sq. feet in size.

The LESSEE covenants it has fully inspected the Leased Premises, is fully aware of the physical condition of the Leased Premises and hereby accepts the Leased Premises (including but not limited to all improvements, equipment, and systems situated thereon), in its present condition, as fully suitable for the purpose for which it is leased.

LESSEE acknowledges, understands, and agrees that ownership of the buildings and other improvements on the Leased Premises, including the building commonly known as Hangar 11, is vested solely with LESSOR, and LESSEE claims no right, title, or interest in said buildings or other improvements except for the leasehold interest set forth in this Agreement.

2. Use of the Leased Premises

LESSEE shall use the Leased Premises primarily for the storage, maintenance, and repair of aircraft owned by or leased to LESSEE which are used regularly for air transportation.

LESSEE agrees that the primary purpose of the hangar located on the Leased Premises (the "Hangar") will be aeronautical in nature; however, the Hangar may be used to temporarily store other items of personal property when such storage in no way interferes with the storage of aircraft and does not otherwise violate this Lease or the FAA requirements regarding storage of non-aeronautical items in airport facilities designated for aeronautical use. Such storage shall not violate Slidell Airport rules or regulations, fire regulations, cause structural or other damage to Airport improvements, including surface areas, nor detract from the clean and orderly appearance of the Airport.

LESSEE shall not engage in any type of commercial activity on the Leased Premises and shall not use the Leased Premises for the storage, maintenance, or repair of aircraft owned by third parties absent the express written permission of LESSOR.

LESSEE shall neither request nor accept the assistance of any of LESSOR's personnel with respect to the movement or relocation of LESSEE's aircraft.

3. Term

3.1 Term

This Lease shall have a term of one (1) year, commencing on January 1, 2023 (the "Commencement Date") and running through (and including) December 31, 2023.

3.2 Reconduction

Once the term of this Lease has expired, the Lease shall terminate on the expiration date and LESSEE shall surrender possession of the premises under the provisions of Section 7 of this Lease.

4. Rental Rates and Fees

4.1 Rent

As rental for the Leased Premises, LESSEE agrees to pay LESSOR rent as follows:

The sum of Five Hundred DOLLARS (\$500.00) per month, payable in one lump sum of Six Thousand DOLLARS (\$6,000.00) for the entire year, on or before January 1, 2023, subject to adjustment as provided below.

All rent and other monetary payments due under this Lease shall be remitted to the City of Slidell, Attention: Finance Director, at P.O. Box 828, Slidell, LA 70459-0828. If LESSEE fails to make any payment of rent on or before the fifth business day after the date such payment is due and payable, LESSOR shall have the option to charge LESSEE an administrative late charge of five percent (5%) of the amount of such payment. In addition, LESSOR shall have the option to charge LESEE interest on the past due rent at the rate of one and one-half (1 ½%) percent per month. Such late charge and interest, if enforced, shall constitute additional rent and shall be due and payable with the next installment of rent due hereunder. Any LESSEE check returned to LESSOR for insufficient funds or no account shall result in a \$25.00 charge to LESSEE. If LESSOR places the enforcement of the

Lease or the collection of any rent, additional rent, or charge in the hands of an attorney, LESEE shall pay LESSOR the additional sum of twenty five (25%) percent of the amount owed as attorney's fees.

The rental rates do <u>not</u> include utilities or the installation of utility metering devices (if required), which cost or charges shall be paid by LESSEE.

4.2 Escalation of Rent

Should the LESSEE remain on the premises after the termination of the Lease (including by expiration), each month's successive occupancy shall be charged at a rate of two (2) percent over the prior month's rent, LESSOR reserving all of its rights.

4.3 Lease Transaction Fees

LESSEE shall pay, or reimburse LESSOR for, the cost of recording this Lease (or memorandum hereof) and any extension, amendment, assignment, sublease, or other transaction in which recording costs are incurred, as well as other all third-party out-of-pocket costs charged to the LESSOR in connection with the execution of this Lease or any such extension, amendment, assignment, sublease, or other transaction. Nothing in this Lease itself shall require LESSOR to record the Lease or any document ancillary to the Lease.

5. Maintenance and ADA Compliance

5.1 Maintenance

LESSEE acknowledges it has inspected the Leased Premises and agrees to maintain, at its sole cost and expense, the grounds and all equipment and improvements on the Leased Premises (except for the roof and exterior walls of the hanger, which shall be the responsibility of LESSOR, subject to the provisions of this Lease) and to promptly make any and all repairs or replacements as necessary. LESSEE also agrees to maintain the Leased Premises and its improvements and equipment in good operating order and in a neat, orderly, and presentable condition consistent with good business practices. This obligation to maintain and repair includes the obligation to make all repairs to the Hangar (excluding the roof and exterior walls of the Hangar) and aprons now existing or hereafter constructed on the Leased Premises by the LESSEE.

LESSEE agrees to pay for all utilities consumed on the Leased Premises, including interior and exterior utility lines, equipment, fixtures, and connections owned or installed by or for LESSEE. LESSEE shall also be responsible for snow removal in or on the Leased Premises.

Subject to the below, LESSOR shall not be liable to LESSEE for, and LESSEE assumes the risk for (as applicable), any damage either to person or property, whether sustained by LESSEE or by other persons, due to the Airport (inclusive of the Leased Premises), any improvements thereon or any part thereof or any appurtenances thereof, being out of repair or not maintained, or due to any accident in or about the Airport or any force majeure, or due to any act or neglect of any tenant or occupant of the Airport or any other person, or due to lack of snow or water removal at the Airport or any part thereof, or in connection with the construction of any improvement by LESSOR or its contractors at the Airport. Without limiting the generality of the foregoing, LESSOR shall not be liable

to LESSEE for damage caused by fire, wind, water, steam, snow, ice, sewerage, gas, bursting or leaking of pipes or plumbing or electrical causes, or the negligence of contractors, employees, agents, or licensees of LESSOR, unless the damage is proved to be the result of the gross negligence or willful misconduct of LESSOR.

In addition to other rights and remedies of LESSOR hereunder, if LESSOR discovers and reports any maintenance deficiency to LESSEE that LESSEE is responsible for as defined in the Lease and requires repair or replacement in order to maintain the Leased Premises, LESSEE will promptly undertake and complete such repairs or replacements at its expense.

LESSEE will provide a complete and proper arrangement for the frequent and adequate sanitary handling and disposal, away from the Airport, of all trash, garbage and other refuse caused as a result of the occupancy or use of the Leased Premises.

All maintenance, repairs, additions or other work of any kind or nature performed, constructed or installed by or on behalf of LESSEE in or upon the Leased Premises, will conform in all respects to (a) all applicable federal, state and local statutes, ordinances and building codes, (b) all applicable rules and regulations promulgated by LESSOR, and (c) the LESSOR's design standards, if any, for the Airport, as promulgated by LESSOR from time to time.

In the event LESSEE fails to perform any of its obligations hereunder, LESSOR may, at its sole option, after thirty (30) days notice, undertake and complete any such maintenance, repairs or replacements, but will have no obligation to do so, and the cost thereof will be deemed additional rent and will be paid by LESSEE to LESSOR no later than thirty (30) days after the date of invoice from LESSOR to LESSEE for such costs.

5.2. ADA Compliance

At all times while this Lease is effective, LESSEE agrees to comply fully with all applicable provisions of the Americans with Disabilities Act ("the ADA").

LESSEE agrees that its use of the Premises shall be in compliance at all times during the terms of this Lease with the ADA. In the event that any alterations or modifications to the Leased Premises are now or hereafter required under the ADA without regard to LESSEE'S use of the Premises, then LESSOR shall be solely responsible for such alterations and improvements at its sole cost and expense. LESSEE, at its sole cost and expense, shall perform all alterations and improvements to the Leased Premises now or hereafter required by the ADA due to LESSEE'S use of the Leased Premises, or because of a change of use of the Leased Premises by LESSEE from the uses permitted under the provisions of the Lease. All alterations or improvements that LESSEE is required to perform under this section in order to comply with the ADA shall be performed in accordance with the procedures set forth in section 6.1 hereof. All alterations and improvements to the Premises by LESSEE made pursuant to section 6.1 hereof shall be performed in full compliance with the Americans with Disabilities Act.

LESSEE shall indemnify, defend and hold harmless LESSOR and LESSOR's officers, directors, elected officials, agents, and employees from all fines, suits, procedures, penalties, claims, liability,

expenses and actions of every kind, and all costs associated therewith (including, without limitation, reasonable attorneys' and consultants' fees) arising out of or in any way connected with LESSEE'S failure to comply with the Americans with Disabilities Act as required above.

LESSOR shall be responsible for compliance with the ADA with respect to Airport common areas, including, but not limited to, the sidewalks, parking areas and exterior walkways.

LESSEE shall not cause or permit any violation of the ADA to occur on, or about the Leased Premises by LESSEE, its agents, employees, contractors or invitees.

6. Alterations and Equipment

6.1 Alterations, Additions, and Improvements

LESSEE shall not make any alterations, additions or improvements to the Leased Premises without the prior written consent of LESSOR; and LESSOR shall not arbitrarily withhold consent for LESSEE to make non-structural alterations, additions, or improvements at LESSEE'S cost, and in compliance with all applicable laws, ordinances, codes and regulations of relevant governmental or quasi-governmental authorities. Any permits required shall be secured at the expense of LESSEE.

6.2 Encumbrances

LESSEE shall not authorize the placement of any lien, mortgage, or other encumbrance upon the Leased Premises or any improvements thereon.

6.3 Improvements at the Termination of the Lease

All alterations, additions, and improvements made by LESSEE shall become the property of LESSOR at the termination of this Lease (including by expiration) without any obligation of payment to LESSEE: provided, however, that if LESSOR so notifies LESSEE within thirty (30) days of termination of this Lease, LESSEE shall promptly remove all alterations, additions, improvements, and other property (or such of them as may be specifically designated in LESSOR'S notice) located or installed in or upon the Leased Premises by LESSEE since the Commencement Date, and the LESSEE shall repair any damage caused by such removal and reinstate the Lease Premises to their previous condition. In the event LESSOR makes a timely demand for removal, LESSEE shall, within ten (10) days after such demand, remove at LESSEE's expense the any and all alterations, additions, improvements, or other property that LESSOR has demanded be removed, and LESSEE shall be liable for the rental value of the Leased Premises from the end of the Lease until the improvements are removed.

7. Surrender of Possession

At the termination of the Lease, the Leased Premises shall be returned to LESSOR in the same condition as when received, less ordinary wear and tear and subject to any alterations, additions, and improvements allowed to remain.

8. Rights, Reservations, and Obligations of Lessor

LESSOR, its employees, agents and assigns, shall have the right to enter the Leased Premises, by providing at least 72 hours' notice, unless deemed emergent by LESSOR, at any reasonable time

throughout the terms of this Lease for any reasonable purpose, including inspection of the general condition and state of repair of the Leased Premises in accordance with the Lease and Airport's rules or regulations.

Upon termination of this Lease, LESSEE shall surrender to LESSOR all keys of the Leased Premises and give to LESSOR the explanation of the combination of all locks for doors, safes, safe cabinets and vault doors, if any, installed in the Leased Premises by LESSEE. If LESSEE fails to return all keys to LESSOR or fails to provide any combination, LESSEE shall reimburse LESSOR for the cost to re-key to Leased Premises and any locksmith or other charges incurred by LESSOR due to LESSEE'S failure to comply with this Section. LESSEE shall pay all such cost within ten (10) days of written demand.

9. Non-Exclusive Rights

LESSEE shall have the nonexclusive right with others so authorized to use the common areas of the Airport and any appurtenant structures and additions thereto which may hereafter be designated by LESSOR from time to time for common use, including runways, taxiways, aprons, roadways, floodlights, landing lights, signals and other conveniences for the takeoff, flying and landing of aircraft, subject, however, to compliance by LESSEE with applicable regulations and practices and payment by LESSEE of such rates, fees, and/or charges as may be specified or levied by LESSOR from time to time. LESSEE agrees that any taxiway, apron, roadway, or other similar improvements constructed by it on the Leased Premises may be used by LESSOR and/or others for taxiing or other incidental and reasonable purpose.

10. Airport Rules and Regulations

LESSEE shall comply, and shall cause its employees, agents, customers, and guests to comply, with all laws, ordinances, regulations or requirements of any relevant governmental or quasi-governmental authority, including any and all rules or regulations established by the FAA or the Slidell Airport, now in existence or hereafter promulgated or modified, pertaining to the Leased Premises or the use of the Slidell Airport. LESSEE shall maintain all necessary registrations, licenses, permits, etc. as may be required under applicable law to carry on its operations on the Leased Premises and at the Slidell Airport. The parties agree that this Agreement shall be subordinate to the provisions of any existing or future agreements between LESSOR and the United States Government (including any federal agency) or the State of Louisiana (including any state agency), to any order issued by the United States Government (including any federal agency) applicable to LESSOR, to any grant assurances of the LESSOR or Slidell Airport, and to any of the LESSOR/Slidell Airport's Federal or State obligations. The parties further understand and agree that this Lease shall be subject to that certain Inter-Governmental Agreement, effective January 25, 1990, between LESSOR, the Parish of St. Tammany, and St. Tammany Airport Authority No. 1.

11. Insurance Obligations

LESSEE shall obtain and maintain the following insurances covering the terms of the Lease:

- General liability insurance with a minimum per occurrence coverage of \$1,000,000
 (LESSOR must be named as an additional insured and such insurance shall be primary to
 any similar policy held by LESSOR; thirty (30) day notice of cancellation in favor of
 LESSOR).
- Automobile liability insurance (for any automobiles of LESSEE coming to Slidell Airport)
- As applicable, worker's compensation insurance with limits consistent with statutory benefits under Louisiana's worker's compensation laws (to the extent required by Louisiana law for business operations of LESSEE).
- Aircraft Liability Insurance with a minimum per occurrence coverage of \$1,000,000 (LESSOR must be named as an additional insured; thirty (30) day notice of cancellation in favor of LESSOR).

12. Taxes

If assessed, LESSEE shall pay all taxes and assessments against any buildings, structures, or other property located on the Leased Premises during the terms of this Lease.

13. Default

Should any of the following events occur, LESSEE shall be in default under this Lease, and LESSOR may, at its option and in addition to exercising any other right or remedy provided by applicable law, declare all remaining rental due under the provisions hereof immediately due and payable or may choose to immediately terminate this Lease:

- A. LESSEE shall fail to pay any rental payment or other monetary sum when due, and that failure is not cured within ten (10) days after the date of LESSEE's receipt of notice from LESSOR of such failure.
- B. LESSEE shall fail to pay any tax, assessment, or civil or criminal penalty or fine incurred in connection with or as a result of its occupancy of the Leased Premises and/or conducting any activity on the Leased Premises, and that failure is not cured within ten (10) days after the date of LESSEE's receipt of notice from LESSOR of such failure.
- C. LESSEE shall fail to secure and maintain insurance as required by this Lease and/or to provide proof of that insurance to LESSOR.
- D. LESSEE shall permit any unlawful activity to be conducted on the Leased Premises, or violate any provision of any applicable federal, state, or local law, ordinance, rule, or regulation.
- E. LESSEE shall make any fraudulent or material misstatement or misrepresentation to LESSOR.
- F. LESSEE shall otherwise fail to comply with any obligation arising under this Lease and that failure is not cured within ten (10) days after the date of LESSEE's receipt of notice from LESSOR of such failure, unless extended by the Airport Director.

LESSOR may send invoices or statements for rent or other charges. LESSEE acknowledges that LESSOR is not required to do so and that receiving such an invoice or statement is not a condition precedent to the obligation of LESSEE to honor all provisions and conditions of this Lease. Sending of such an invoice or statement shall not alter the provisions of this Lease in any manner.

14. Additional Grounds for Termination

In the event the roof or exterior walls of the Hangar on the Leased Premises are damaged or destroyed, LESSOR may choose to terminate the Lease if, in LESSOR's sole discretion, the cost to repair

or replace such roof or exterior walls is cost prohibitive, such repair or replacement cannot be completed in a timely manner, or such repair or replacement is not in keeping with LESSOR's future plans for the Slidell Airport. Further, in the event LESSOR's Inter-Governmental Agreement, effective January 25, 1990, between LESSOR, the Parish of St. Tammany, and St. Tammany Airport Authority No. 1, is terminated, LESSOR shall have the right to terminate this Lease. In the event of any termination under this section, the parties shall have no further obligations to one another except for those obligations that had accrued at the time of termination.

15. Assignment of Agreement

15.1 Assignment

LESSEE shall not, without the express written consent of LESSOR, acting through its Mayor, assign the balance of the Lease term(s) or any interests hereunder, or permit the use of the Leased Premises by any party other than LESSEE. Any consent which LESSOR may give for an assignment shall not destroy this provision, and later assignments shall be made likewise only on the prior consent of LESSOR expressed in writing. In the case of such permitted assignment, the ASSIGNEE shall become directly liable to LESSOR for all obligations of LESSEE hereunder.

Any assignment shall be in writing, and LESSEE shall provide a copy thereof to LESSOR at least ninety (90) days in advance of the proposed inception date. LESSOR may grant or deny LESEE's assignment request in LESSOR's sole discretion.

LESSOR may assign its rights under this Lease.

15.2 Subletting

LESSEE shall not, without the express written consent of LESSOR, acting through its Mayor, sublet the Leased Premises or any portion thereof, or permit the use of the Leased Premises by any party other than LESSEE. Any consent which LESSOR may give for a sublease shall not destroy this provision, and later subleases shall be made likewise only on the prior consent of LESSOR expressed in writing. In the case of such permitted sublease, the SUBLESSEE shall become directly liable to LESSOR for all obligations of LESSEE hereunder, but no sublease by LESSEE shall relieve LESSEE of any liability hereunder.

Any sublease shall be in writing, and LESSEE shall provide a copy thereof to LESSOR at least ninety (90) days in advance of the proposed inception date. LESSOR may grant or deny LESEE's sublease request in LESSOR's sole discretion.

16. Hold Harmless Provision

Except as may otherwise be provided in this Agreement, LESSEE assumes full responsibility to LESSOR and to all third parties for the condition of the Leased Premises and agrees to maintain same in a safe condition, and to defend, indemnify and hold LESSOR and LESSOR's officers, directors, elected officials, agents, and employees harmless from any and all liability and from any injury or damage arising from or connected with the condition of the Leased Premises or LESSEE's activities, including but not limited to LESSEE's flight activities. LESSOR shall not be liable or responsible for any damage to

LESSEE's or others' property located on the Leased Premises or at the Slidell Airport nor for any loss or damage to any property of LESSEE or others by theft or otherwise.

LESSEE shall indemnify, save, hold harmless, and defend LESSOR and LESSOR's officers, directors, elected officials, agents, and employees, from and against any claim, action, loss, damage, injury, liability, and the cost and expense of whatsoever kind (including, but not limited to, reasonable attorney fees, disbursements, court costs, expert fees, and fines) arising out of or related to any act or omission of LESSEE's agents, employees, successors, or assigns at the Leased Premises or the Slidell Airport or under this Agreement during the term of this Agreement. Notwithstanding the foregoing, LESSEE shall have no indemnity obligation to the extent such claim, action, loss, damage, injury, liability, injury, liability, and cost and expense was caused by an act or omission of LESSOR or LESSOR's officers, directors, elected officials, agents, or employees.

17. Non-Discrimination

Pursuant to the rules and regulations of the FAA or any other regulatory authority having jurisdiction or responsibility, LESSEE assures that it will undertake a non-discrimination program as required by 14 CFR Part 152, Subpart E (or any amendments or modifications thereto), to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E (or any amendments or modifications thereto). LESSEE assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. LESSEE assures that it will require that its covered sub-organizations provide assurances that they will undertake non-discrimination programs and that they will require assurances from their sub-organizations, as required by 14 CFR Part 152, Subpart E (or any amendments or modifications thereto), to the same effect.

18. Venue

LESSOR and LESSEE agree that the only proper venue for litigation arising out of this Lease shall be the Twenty-Second Judicial District Court, St. Tammany Parish, Louisiana, and, to the extent that they have or can obtain subject matter jurisdiction, the federal courts having jurisdiction over St. Tammany Parish, Louisiana.

19. Severability

The provisions of this Lease are and shall be subject to all applicable federal, state or local laws and regulations, and, in the event that any of the provisions of this Lease shall be declared to be unenforceable by virtue of such laws or regulations, the remaining provisions of this Agreement shall survive such declaration and any court of competent jurisdiction is authorized to modify this Lease so that it complies with law.

20. Waiver

LESSEE acknowledges that it is entitled to notice to vacate under Article 4701 of the Louisiana Code of Civil Procedure but waives all rights to that notice to vacate.

Any failure by LESSOR to exercise any rights or remedies under this Lease shall not be a waiver of any rights or remedies of LESSOR under this Lease nor shall it constitute forbearance nor shall it constitute a modification of the Lease.

LESSEE hereby irrevocably waives the right to claim that any of its property located in or on the Leased Premises is exempt from execution or attachment or exempt by any law from the payment of debt, and all such property shall be subject to and responsible for the payment of the money agreed to be paid by LESSEE under this Lease and for the discharge of any liability created by this Lease.

21. Security Interest for Lessor's Lien

LESSEE acknowledges that LESSOR has a security interest in all movable property located on the Leased Premises to secure any unpaid charges under this Lease. LESSEE further agrees that if called upon, it will execute a UCC-1 or UCC-3 or other document, if necessary to preserve the security interest of LESSOR as to third parties or to maintain a security interest in full force and effect. LESSOR herein agrees not to perfect a lien on aircraft owned by the LESSEE until such time that the LESSEE is in default of this agreement beyond the allowable cure period contained herein.

22. Binding Effect

This Lease shall be binding upon LESSOR and LESSEE and their respective successors, heirs and assigns.

23. Choice of Law

This Lease shall be governed by the laws of the State of Louisiana, without regard for its principles of conflicts of law which might refer this matter to the court of another state for resolution.

24. Entire Agreement

This Lease is the entire agreement between the parties with respect to the subject matter hereof, superseding any prior oral or written agreements. No modification or waiver or amendment of this Lease is valid unless in writing and signed by all parties by authorized representatives.

25. Financial Records

LESSEE shall maintain all financial records pertaining to all matters relating to this Lease in accordance with generally accepted accounting principles and procedures.

26. Notice

Any notice or demand which, by provision of this Lease, is required or permitted to be given or served to either of the parties shall be deemed to have been sufficiently given and served for all purposes (i) when personally delivered, or (ii) one day after being sent by a nationally recognized overnight express courier (charges prepaid), or (iii) five days following mailing by certified or registered mail, postage prepaid and return receipt requested, in each case addressed (until another address or addresses is given by notice pursuant to this Section) to the parties as follows:

If to LESSOR:

City of Slidell Attn: Mayor P.O. Box 828

Slidell, LA 70459

(Physical address: 2055 Second Street, Slidell, LA 70458)

With a copy to:

City of Slidell

Attn: Airport Manager 62512 Airport Road Building #12 Slidell, LA 70460

City of Slidell Attn: City Attorney P. O. Box 828 Slidell, LA 70459

(Physical address: 2055 Second Street, Slidell, LA 70458)

If to LESSEE:

Michael F. Roeling, Inc.

Attn: Michael F. Roeling, Jr., President

210 Valiant Lane Slidell, LA 70458

Each party must maintain with the other their current mailing information as listed above. Any party may change his or its notice mailing address by notice sent in accordance with this Section.

27. Miscellaneous

Each and every provision of law and clause required by law to be inserted in this Agreement shall be deemed to be inserted herein, and the Agreement shall be read and enforced as though it were included herein, and if through mistake or otherwise, any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the Agreement shall forthwith be amended to make such insertion or correction. The parties agree not to discriminate in their respective employment and services practices, and shall fulfill their obligations under this Agreement without regard to race, color, age, religion, sex, national origin, veteran status, genetic information, political affiliation, or disability.

[SIGNATURES ON FOLLOWING PAGE(S) (TOGETHER OR IN COUNTERPARTS)]

SIGNATURE PAGE SLIDELL AIRPORT AERONAUTICAL HANGAR LEASE AGREEMENT

Thomas S. Schneidau
Notary Public
State of Louisiana
Roll No. 33359/Notary ID No. 91626
My Commission is for life.