Introduced February 9, 2010, by Councilman Hicks, seconded by Councilman Cusimano (by request of Administration)

RESOLUTION R10-03

A resolution authorizing the Mayor to consent to an Assignment of Mosquito Control's lease at the Slidell Airport.

WHEREAS, on March 29, 1996 the City of Slidell ("City") and St. Tammany
Parish Mosquito Abatement District No. 2 ("District") entered into a Lease and Operating
Agreement ("Agreement") at the Slidell Airport; and

WHEREAS, the original term of the Agreement expired on March 29, 2006; and

WHEREAS, the Agreement was amended on December 2, 1997 to extend the term to March 29, 2016 based upon the District having constructed permanent improvements costing \$63,643.99; and

WHEREAS, the Agreement provides for the sale, assignment or transfer of the Agreement upon prior written approval by the City; and

WHEREAS, the District proposes to assign the Agreement to State Machinery & Equipment Sales, Inc.; and

WHEREAS, the Airport Manager recommends that the City consent to the Assignment of the Agreement.

NOW THEREFORE BE IT RESOLVED by the Slidell City Council that it hereby authorizes the Mayor to execute the Assignment Of Lease and Operating Agreement between attached hereto and made a part hereof.

RESOLUTION R10-03 PAGE 2

ADOPTED this 9th day of February, 2010.

ionel Hicks

President of the Council Councilman, District A

Thomas P. Reeves Council Administrator

ASSIGNMENT OF LEASE AND OPERATING AGREEMENT

This Assignment is entered into by and between Mosquito Abatement District, formerly Mosquito Abatement District #2, hereinafter referred to as "District", and State Machinery & Equipment Sales, Inc., hereinafter referred to as "State":

WITNESSETH:

WHEREAS, District entered into a Lease and Operating Agreement with the City of Slidell dated March 29, 1996, amended by Amendment to Lease and Operating Agreement dated December 2, 1997, copies of which are attached hereto and made a part hereof, hereinafter referred to as "Lease Agreement"; and

WHEREAS, District now wishes to assign all of its rights and interest in and to said Lease Agreement to State;

NOW, THEREFORE, District does hereby assign all of its rights and interest in said Lease Agreement to State, who assumes all of the terms and conditions of the Lease Agreement, subject to the following additional terms and conditions:

- State agrees to pay District the sum of \$1,010.00 per month commencing on the effective date of this Agreement (first payment to be prorated from the effective date of this Agreement to the end of the month) and continuing thereafter on a monthly basis with said payments being due and payable on the 1st day of each month, with the final payment due on March 1, 2016.
- State accepts the building located on the leased premises in its "AS IS" condition without any warranties whatsoever as to the condition of the building.
- 3. State agrees that it will not bring suit against the District, arising out of any cause of action resulting from accident, fire, noise or disturbance from the operation, maintenance, accident, crash, or crash landing of any airplane in the airport area or in the vicinity of the airport, or during any operation of aircrast over the premises, except in the event any such cause or action arises out of the negligence or willful act of District, its employees, agents or representatives.
- 4. State holds District harmless for any damage to or destruction of States property located on the leased premises, including that caused by natural occurrence, or any other cause whatsoever, unless caused by the negligence or intentional act of District, its employees, agents or representatives.
- 5. State shall hold harmless and indemnify District from and against any and all claims by or on behalf of any person, including governmental bodies, arising from the conduct or management of or from any work or thing done on the leased premises and, from all court costs, and reasonable attorney's fees, except for actions or proceedings arising out of the negligence or intentional act of District, its employees, agents, or representatives. District shall also indemnify and hold State harmless on the same terms and conditions for its negligence and intentional acts; and in the event that any action or proceeding is brought against the District or State by reason of such a claim, the District or State, as the case may be, upon notice from the other party, covenants to resist and defend such actions or proceedings.

- State shall not assign or transfer its rights in and to this Agreement, or any
 portion thereof, to any third party without the prior written consent of District
 and The City of Slideli.
- 7. State agrees to carry, or cause to be carried, at its own cost and expense, during the term hereof, the insurance as set forth in the Lease Agreement. Certificates of coverage to be furnished to District on an annual basis. State further agrees that the property insurance policy covering the improvements and betterments located on the leased premises now in place with Lowry-Dunham, Case and Vivien in the name of the District will remain in place during the term hereof with the premiums being paid by State.

In the event State defaults under the terms and conditions of the Lease Agreement or this Assignment, State and District agree that the District shall have the right to terminate this Agreement and to re-enter and repossess said property, or to declare the rental for the remainder of the term of this Agreement due and payable and, if placed in the hands of an attorney for collection, State shall pay attorney's fees in the amount of twenty-five (25%) of the amount due. In the event this Agreement is terminated by the District, the City of Slidell and the District agree that the District becomes obligated to satisfy the terms and conditions of the Lease Agreement for the remaining term of said Lease Agreement.

State hereby accepts the foregoing Assignment and promises and agrees to faithfully perform all covenants, stipulations, agreements and obligations required to be performed under the Lease Agreement and this Assignment of Lease and Operating Agreement accruing on and after the effective date of this Agreement. State shall indemnify and hold District harmless from any and all claims, demands, actions, causes of action, suits, proceedings, damages, liabilities and costs and expenses of every nature whatsoever relating to the Lease Agreement or building located on the leased property arising out of State's acts or failure to act on or after the effective date of this Agreement.

District further covenants that it is in full compliance with all of the terms and conditions of the Lease Agreement and that it is not in default of any of its provisions.

Notices to District, State, and City of Slidell provided for herein shall be

sufficient if sent by certified mail, postage prepaid, addressed as follows:

City of Slidell Airport Manager 62512 Airport Road, Suite 2 Slidell, LA 70460 Mosquito Abatement District 62512 Airport Road, Bldg. 23 Slidell, LA 70460

State Machinery & Equipment Sales, Inc. P.O. Box 1789 160 W. Airline Drive Kenner, LA 70063

or to such other addresses as the parties may designate to each other in writing from time to time.

THUS DONE AND SIGNED, in Slidell, Louisiana, on the 27 day of January, 2010, in the presence of the undersigned competent witnesses, who hereunto sign their names with the said appearers, and me, Notary, after reading of the whole.

WITNESSES:

MOSQUITO ABATEMENT DISTRICT

Dushed. Sellberge Susmique

CHARLES PALMISANO

NOTARY PUBLIC

THUS DONE AND SIGNED, in Kenner, Louisiana, on the of day of January, 2010, in the presence of the undersigned competent witnesses, who hereunto sign their names with the said appearer, and me, Notary, after reading of the whole. STATE MACHINERY & EQUIPMENT SALES, INC. **GUARANTY OF OBLIGATIONS** The undersigned does bind and obligate himself in solido with State under this Assignment of Lease and Operating Agreement for the timely performance and fulfillment by State of all of State's obligations; and the undersigned does hereby guarantee to District, its successors and assigns, the punctual payment of all amounts due, and the performance of all obligations of State contained in this Assignment of Lease and Operating Agreement, the undersigned consenting to the extension and other indulgences that may be granted by District and the City of Slidell, and consenting to any amendments and modifications of said Agreement, and the undersigned hereby waives any and all requirements for notice of non-payment, demand, a non-performance or dishonor and waives discussion, division and other remedies and defenses at law. THUS DONE AND SIGNED, in Kenner, Louisiana, on the 10 day Fall samuary, 2010, in the presence of the undersigned competent witnesses, who hereunto sign their names with the said appearer, and me, Notary, after reading of the whole.

NOTARY PUBLIC

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AND NOW, into these presents, comes the City of Slidell, who hereby consents to this Assignment of Lease and Operating Agreement as set forth herein and hereby releases District from any of the terms, conditions, and obligations set forth in said Lease Agreement except as set forth herein..

THUS DONE AND SIGNED, in Slidell, Louisiana, on the 10 Tday of

Lectually 2010, in the presence of the undersigned competent witnesses, who

hereunto sign their names with the said appearer and me, Notary, after reading of the whole.

WITNESSES:

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CITY OF SLIDELL

BER MORRIS, MAYOR

NOTARY PURIT