



Date: February 10, 2017

**ADDENDUM NUMBER TWO (2)
CNO Solicitation No.: 0215-2017A**

**Advertisement for Lease
A Portion of the West Apron**

**PROPOSAL SUBMISSION DEADLINE IS:
February 15, 2017 at 4:00 P.M.**

TO ALL PROSPECTIVE RESPONDENTS:

A. GENERAL ANNOUNCEMENTS

Interested proposers may attend the submittal opening on February 15, 2017 at 4:00 pm at the Louis Armstrong New Orleans International Airport in the Planning and Development Conference Room – Rm. 334.

PLEASE BE ADVISED OF THE FOLLOWING ADDITIONS-DELETIONS-CHANGES WHICH SHALL BE CONSIDERED AS INCLUDED IN THE ORIGINAL SOLICITATION AND SHALL TAKE PRECEDENCE OVER ANY PART OF THE ORIGINAL SOLICITATION IN CONFLICT THEREWITH.

B. QUESTIONS

1. On the first page of the sample lease agreement (page 15 of the solicitation), in the second section (entitled "Witnesseth"), the last of the five paragraphs which start "Whereas" has the following wording: *"Whereas, Lessor willing to lease such property to lessee for a specific purpose, namely the development and management of a parking lot."* This appears to be a cut and paste error from another lease solicitation since the current and highest and best use for this property would not be a parking lot. We hereby request the issuance of an addendum to the RFP to substitute the following language: *"Whereas, Lessor willing to lease such property to lessee for a specific purpose, namely the operation of a non-commercial hangar in which to park and maintain aircraft belonging to the lessee."*
The clause *"Whereas, Lessor willing to lease such property to lessee for a specific purpose, namely the development and management of a parking lot."* is hereby deleted and replaced with *"Whereas, Lessor is willing to lease such property for aeronautical use, namely the parking and management of aircraft(s)."*
2. On the first page of the sample lease agreement (page 15 of the solicitation), in the section entitled "Section 1: Leased Premises", the last of the three paragraphs has the following wording: *"There will be no airside access to the Airport operations area granted pursuant to this Lease."* Since the lease clearly contemplates the parking of aircraft, this wording makes no sense and is probably another cut and paste error from another lease solicitation. We hereby request the issuance of an addendum to the RFP to delete that wording in its entirety.
The sentence *"There will be no airside access to the Airport operations area granted pursuant to this Lease."* is hereby deleted and replaced with *"There will be limited access granted to and from the Airport operations area and the non-secured area of the airport pursuant to this lease."*
3. On the first page of the sample lease agreement (page 15 of the solicitation), in the section entitled "Section 1: Leased Premises", the last of the three paragraphs has the following wording: *"Lessee acknowledges that all of said improvements and appurtenances that exist as of the Effective Date are owned exclusively by Lessor."* Our current lease provides that JDM shall remain the owner of improvements at the lease termination. If we are not successful in our proposal for this lease, we will be removing all of our buildings and equipment. We hereby request the issuance of an addendum to the RFP to reflect this fact.
This statement will remain. It does not prevent the current tenant from removing the property they own, but instead, it prevents the new lessee from claiming airport owned property that is on the premises on the date the new lease is executed.
4. On the first page of the sample lease agreement (page 15 of the solicitation), in the section entitled "Section 2: Term" the term of the lease is given as one year, renewable for up to four (4) additional one year terms. In Attachment A on page 13 of the solicitation

document, the final paragraph states that *“The term may be renewed by the lessor at its sole discretion for an additional 5 year term.”* Since that additional term is not referred to in the lease itself, we request the issuance of an addendum to add that language to the lease at Section 2: Term.

The correct term is an initial one (1) year lease with four – one (1) year renewal options to be awarded at the sole discretion of the Board. The updated solicitation can be found at <http://www.flymsy.com/Business-Opportunities> as “Portion of West Ramp Addendum 1.”

5. On the second page of the sample lease agreement (page 16 of the solicitation), in the section entitled “Section 4: Use”, the following wording is in paragraph a):

“The Premises shall be used by the Lessee exclusively for the purpose of aircraft parking (hereinafter, the “Permitted Use”).” We, as the current tenants of the land in question, use the land to maintain our own aircraft, and to fuel our aircraft, all in accordance with the current lease. This wording, if left as it is, would prevent us from continuing to do what we have been doing, at no detriment to the airport, for more than ten (10) years. We request the issuance of an addendum to delete paragraph a) and replace it with the following language, which is taken directly from the current lease:

“a) Lessee shall be allowed to store on the Leased Premises its own aircrafts, provide gas for its own aircrafts, maintain its own aircrafts, store personal vehicles for personal transportation to and from the Airport, and perform other activities related directly to operating a private non-commercial Airport hangar. Lessee may give away up to twenty percent (20%) of its total monthly fuel usage to another §501(3)(c) designated religious organization.”

We would also request the issuance of an addendum to change the next paragraph from b) to c) and add a new paragraph b), also taken from the existing lease:

“b) Lessee shall have non-exclusive use of the apron adjacent to the Lease Premises”

Sample lease is hereby amended to reflect “Section 4: Use” to read as follows:

4.1. Permitted Use. Lessee hereby agrees to use the Premises for the below stated purposes only and strictly in accordance with the terms and conditions of this Lease. Lessee’s use of the Premises shall be limited to the following purposes:

- a) Lessee shall be allowed to store on the Leased Premises its own aircrafts, provide gas for its own aircrafts, maintain its own aircrafts, store personal vehicles for personal transportation to and from the Airport, and perform other activities related directly to operating a private non-commercial Airport hangar. Lessee may give away up to twenty percent (20%) of its total monthly fuel usage to another §501(3)(c) designated religious organization.**
- b) Lessee shall have non-exclusive use of the apron adjacent to the Lease Premises.**
- c) It is an express condition of this Lease that Lessee remains in compliance with all applicable Federal, state and local laws, rules and regulations.**

-
6. On the fourth page of the sample lease agreement (page 18 of the solicitation), the section entitled "Section 7: Alterations" starts with the following language: "*Lessee is prohibited from installing any permanent or temporary building structures on the Premises without Lessor's prior written consent...*" To recognize that there is currently a temporary hangar, temporary workshop, and temporary office accommodation on the Leased Premises, all of which are there with the permission of the Lessor, we request the issuance of an addendum to add the following wording be added immediately before the language above: "*With the exception of any existing structures which are now present on the Premises with the Lessor's permission, and which may still be present on the Premises upon the execution of this Lease,*"

The language will remain the same. Temporary structures and items owned by the current tenant should be removed by the lease expiration date. Any items that are not removed become property of the Airport.

7. On the seventh page of the sample lease agreement (page 21 of the solicitation), the section entitled "Section 14: Maintenance and Repair" includes the following wording in the third line of the paragraph: "*...Lessee shall provide and use suitable covered metal receptacles for all...*" Since metal is not always the most suitable material for a garbage receptacle, we request the issuance of an addendum to delete the word "metal" from this phrase.

The word "metal" can be deleted from this phrase.

8. Finally, even though we have requested the foregoing addenda and intend to submit a proposal in response to the NOAB's RFP, it is our strong desire to build a permanent hangar at New Orleans International Airport, in order to allow us to upgrade our aircraft and to represent ourselves, and our city, in a suitable manner. When we first moved onto this premises in 2006 it was under instruction from the FAA that we be found a location on which we could build such a hangar. We have been waiting for more than ten (10) years for this to occur. Our preference would be to negotiate a long-term lease in exchange for our commitment to construct a permanent hanger. If the NOAB prefers to move forward with its RFP, we would request that the NOAB delay the proposal submission deadline of 2/15/17 to allow time for its legal counsel to craft a modification to the term of the proposed lease and other related provisions through issuance of an addenda which would grant lessee a long-term lease commitment in exchange for construction of a permanent hanger.

The schedule within the solicitation will remain the same.

9. Please could you clarify which number should be used in referring to this solicitation?

The correct solicitation number is 0215-2017A

10. 10. In your Advertisement for Lease of a portion of the West Apron you state, in paragraph 7 on page 27 of attachment D, "...there are no full time employees staffing the site..." In fact, as the existing tenant, my employer currently has two full time maintenance

employees based at the site, and there have been at least two full time employees based there for at least the last five years. My employer also has two full-time pilots who are mostly based at the airport when they are not actually flying, and we have also had two full-time pilots based at the airport for at least the last 5 years. I point this out in case you wish to take any action to correct the inaccuracy.

This language was used to determine the cost value of the site and does not affect the operations of the site.

END ADDENDUM NUMBER TWO (2)

ATTACHMENT B

Revised Sample Lease Agreement

**LEASE AGREEMENT
BETWEEN
THE CITY OF NEW ORLEANS
BY AND THROUGH
THE NEW ORLEANS AVIATION BOARD
And
XXXX**

This Lease Agreement (hereinafter referred to as "Lease") effective the ___ day of _____, 2017 ("Effective Date") is made and entered into by **THE CITY OF NEW ORLEANS** ("City"), represented by Mitchell J. Landrieu, its Mayor, **THE NEW ORLEANS AVIATION BOARD** ("Board"), represented by Cheryl Teamer, its Chairwoman (the City and NOAB collectively referred to herein as "Lessor"); and **XXXXX** ("Lessee"), represented by its authorized representative.

WITNESSETH

WHEREAS, the City owns certain immovable property located in Jefferson Parish, Louisiana and more particularly described as the Louis Armstrong New Orleans International Airport and certain immovable property surrounding the Louis Armstrong New Orleans International Airport (the "Airport Property"); and

WHEREAS, the Board is charged with the administration and operation of the Louis Armstrong New Orleans International Airport (the "Airport") and all property owned on connection therewith; and

WHEREAS, Lessee desires to lease certain land and to exercise certain rights, licenses, services and privileges in connection with Airport Property;

WHEREAS, Lessor is willing to lease the land and grant such rights, licenses, services and privileges to Lessee upon the terms and subject to the conditions set forth in this Lease; and

WHEREAS, Lessor is willing to lease such property for aeronautical use, namely the parking and management of aircraft(s).

NOW THEREFORE, in consideration of the mutual covenants and agreements contained in this Lease, and other valuable consideration, Lessor does hereby lease and let unto Lessee certain land and facilities, and does hereby grant to Lessee certain rights and privileges, and Lessee does hereby take from Lessor such facilities and rights and privileges in connection with and on the Airport Property as described in this Lease.

SECTION 1: LEASED PREMISES

Lessor hereby leases to Lessee and Lessee hereby leases from Lessor, the following immovable property located in the City of Kenner, State of Louisiana:

The apron area that makes up a portion of Ramp 7, the "West Ramp". The area is a 33,600 sq. ft. portion of an undesignated parcel of land situated within the southwest portion of the airport operations area as is more fully shown on the map attached hereto as Exhibit A.

in said space that exist as of the Effective Date (all of said property leased to Lessee and described in this Section 1 being hereinafter referred to as the "Premises"). There will be limited access granted to and from the Airport operations area and the non-secured area of the airport pursuant to this lease. Lessee acknowledges that all of said improvements and appurtenances that exist as of the Effective Date are owned exclusively by Lessor.

SECTION 2: TERM

The term ("Term") of this Lease shall commence on the Effective Date and terminate on the day prior to the one (1) year anniversary of the Effective Date (Expiration Date) unless earlier terminated pursuant to the provisions of this Lease. This Agreement may be renewed, at the option of the Airport upon resolution of the Board and by written Amendment to this Agreement, for four (4) additional one-year periods. This lease may be terminated without cause prior to the expiration date by either party upon (30) day prior written notice in accordance with Section 32.3 of this Lease.

SECTION 3: RENT

3.1. Base Rent.

In consideration of Lessee's right to occupy the Premises, Lessee agrees to pay to Lessor a minimum base rent ("Base Rent") in an amount equal to \$33,600 per annum. Said Base Rent shall be paid by Lessee to Lessor in equal monthly payments at the first of each month throughout the Term of the Lease in the minimum amount of \$2,800 per month. This base rental rate is based upon the Fair Market Value of the Premises as determined by appraisal.

3.2. Payment of Base Rent.

The Base Rent is payable monthly in advance. The first installment of the Base Rent is due and payable on the Effective Date and shall be calculated and prorated on the basis of a thirty (30) day month. All subsequent monthly Base Rent installments shall be due and payable on the first calendar day of each calendar month. On the first day of the calendar month in which the Expiration Date is to occur, the monthly Base Rent installment shall be calculated and prorated through the Expiration Date on the basis of a thirty-day (30) month.

3.3. Prorating of Rent.

If this Lease is terminated prior to the Expiration Date for reasons other than Lessee's default and if the effective date of termination is other than the first day of a calendar month, Base Rent shall be prorated to the date of termination based on a thirty-day (30) month, and Lessor shall refund to Lessee any rent paid but unearned for that calendar month as of that effective date of termination.

3.4. Unpaid Installment of Rent.

Unpaid installment of Base Rent or other sums due to the Lessor shall bear interest from the date due at the rate of 1.5% per month or at the highest lawful interest rate in Louisiana ("Interest"), whichever is greater and Lessee shall be obligated to pay all Base Rent and Interest when due.

3.5 Aeronautical Use.

If the current rental rate of the Premises is based on Lessee using the Premise for an aeronautical use, then in the event that the use ceases to be aeronautical and becomes a non-aeronautical use, Lessor has the right to increase the rental rate to the Fair Market Value as determined by an appraisal from a licensed Appraiser.

SECTION 4: USE

4.1. Permitted Use.

Lessee hereby agrees to use the Premises for the below stated purposes only and strictly in accordance with the terms and conditions of this Lease. Lessee's use of the Premises shall be limited to the following purposes:

- a) Lessee shall be allowed to store on the Leased Premises its own aircrafts, provide gas for its own aircrafts, maintain its own aircrafts, store personal vehicles for personal transportation to and from the Airport, and perform other activities related directly to operating a private non-commercial Airport hangar. Lessee may give away up to twenty percent (20%) of its total monthly fuel usage to another §501(3)(c) designated religious organization.
- b) Lessee shall have non-exclusive use of the apron adjacent to the Lease Premises.
- c) It is an express condition of this Lease that Lessee remains in compliance with all applicable Federal, state and local laws, rules and regulations.

SECTION 5: GOVERNMENTAL APPROVALS AND PERMITS.

Responsibility for securing all required governmental approvals and permits shall rest solely with the Lessee, and shall be at the sole expense of the Lessee. The Board and the City shall not be liable for any expense or claim of the Lessee should the Lessee fail to timely obtain, or be unsuccessful in obtaining, any required governmental approvals and permits necessary for the construction and/or operation of the Premises. Notwithstanding the foregoing, Lessor agrees to cooperate with Lessee to obtain such permits.

SECTION 6: ACCEPTANCE AND CONDITION OF PREMISES

6.1. Condition of Premises.

Lessee hereby acknowledges that the Premises is in useable condition. Lessee shall return the Premises to as good a condition as they were on the Effective Date, with the exception of ordinary wear and tear, or other fully insured casualty to the extent insurance proceeds from or on behalf of Lessee are remitted to Lessor.

6.2. Surveys & Inspections.

Lessee, at Lessee's sole cost and expense, may, prior to the Effective Date, conduct surveys, tests and inspections as Lessee considers reasonably necessary or desirable in connection with the intended use of the Premises.

6.3. Warranty or Representation of Premises.

Lessor makes no warranties or representations, either express or implied, whatsoever regarding the Premises. Without limiting the declaration contained in the immediately preceding sentence, Lessor, makes no warranties or representations, either express or implied, as to the Premises' fitness or suitability for a particular purpose, as to the environmental condition of the Premises, as to redhibitory defects, or as to vices or defects of whatever kind or nature, and whether known, unknown, latent or hidden, as to the Premises, and disclaims all responsibilities, liabilities, and obligations that are or may be imposed on the Lessor by Louisiana Civil Code Articles 2696 through 2702, inclusive, or otherwise. Lessee affirms that Lessee has had full opportunity to examine and to inspect the Premises. Lessee accepts the Premises in an "as is, where is" condition. On behalf of Lessee and Lessee's officers, managers, members, directors, stockholders, employees, successors, assigns, and representatives:

-
- a) Lessee hereby waives, to the fullest extent allowed under Louisiana Civil Code Article 2699 and otherwise under Louisiana law, any and all of Lessee's rights and remedies against the City and the Board relating to the Premises (including without limitation all of Lessee's rights and remedies under Louisiana Civil Code Articles 2696 through 2702, inclusive); and
- b) Lessee hereby relieves and releases:
- i. The Lessor and all prior owners of the Premises;
 - ii. All entities controlled in whole or in part by Lessor; and
 - iii. The Lessor's, and said prior owners' respective officials, officers, directors, commissioners, members, employees, contractors, subcontractors, representatives, attorneys, agents, affiliates, agencies, successors, and assigns; from any and all claims, losses, causes of action, rights of action, damages, expenses (including without limitation reasonable attorney's fees) and costs (collectively "Claims") for vices or defects (whether known, unknown, latent, or hidden) of, for peaceful possession of, or otherwise relating to, the Premises, including without limitation any and all Claims based on environmental conditions; any and all Claims based on any one or more of Louisiana Civil Code Articles 2696 through 2702, inclusive; any and all Claims (if any) for redhibition pursuant to Louisiana Civil Code Articles 2520 *et seq.*; and any and all Claims based on Lessee's inability to obtain any and all applicable permits, approvals or other authorizations from any governmental entities, units or agencies.

6.4. Aviation Hazard.

Lessor reserves the right to take any action it considers necessary to protect the airspace and approaches of the Airport against obstruction, together with the right to prevent Lessee from erecting, or permitting to be erected or located, any light fixture, building, object, structure, or growth of natural object on the Premises or adjacent to the Airport which, in the opinion of Lessor, would limit the usefulness of the Airport or constitute a hazard to aircraft or obstruction to air navigation or communication facilities.

6.5. Avigation Servitude.

The Lessor reserves an avigation servitude for the unobstructed use and passage of all types of aircraft in and through the airspace above the Premises at and above 40 feet in height above ground level. The avigation servitude shall include all incidental rights related to aviation within this airspace, including without limitation the right to cause such noise, vibrations, fumes, deposits of dust or other particulate matter, fuel particles (which are incidental to normal aircraft operation), fear, interference with sleep and communication and any and all other effects that may be alleged to be incident to or caused by the operation of aircraft within the airspace over 40 feet in height above ground level or in the vicinity of the Premises or in landing at or taking off from the Airport.

6.6. Compliance with ADA.

Lessee, at its sole cost and expense, agrees to keep and maintain the Premises in full compliance at all times with the Americans with Disabilities Act of 1990, as amended ("ADA"). In addition, Lessee agrees that all alterations and improvements to the Premises, if permitted, shall comply with all ADA requirements.

SECTION 7: ALTERATIONS

Lessee is prohibited from installing any permanent or temporary building structures on the Premises without Lessor's prior written consent. Lessee is also prohibited from making any other permanent or temporary alterations to the Premises (said alterations other than the leasehold

improvements or alterations being hereinafter referred to as the "Alterations") without Lessor's prior written consent. Before making any Alterations, Lessee shall:

- a) Submit a request and a copy of the Alterations plans to the Lessor at least thirty (30) days prior to planned commencement of the Alterations;
- b) Comply with all applicable local, state or federal laws, regulations, codes or ordinances affecting such Alterations and the Premises; and
- c) Perform the Alterations so as not to unreasonably interfere with or create a nuisance for aircraft, the operation of the Airport and/or the tenancy of others.

All Alterations made by Lessee to the Premises shall remain Lessor's property at the end of the Lease term, regardless of how or when the Lease term ends. Lessor shall not have to pay or to reimburse Lessee for any cost of such improvements unless the Lease term ends solely and exclusively due to Lessor's fault, in which case the cost amount shall be calculated in the manner set forth in the written agreement entered into between Lessor and Lessee at the time of the giving of Lessor's written consent to the Alterations pursuant to this Section.

The cost of any renovation, construction, alteration or improvement authorized according to the provisions of this Lease shall be borne and paid for solely by Lessee. Lessor and Lessee agree that Lessor has no financial or other obligation of any kind under this Lease other than the lease to Lessee of the Premises which are the subject of this Lease for the term and considerations herein set forth. It is expressly understood and agreed that Lessee shall be responsible at Lessee's sole expense for any improvements made to the Premises.

SECTION 8: EQUIPMENT/MATERIAL

All equipment, and all items of personal or movable property that do not become fixtures or component parts, including any proprietary items owned by Lessee, that are located or placed by Lessee upon the Premises (collectively "Lessee's Personal Property") shall remain the property of Lessee. All said equipment and materials shall be removed from the Premises by Lessee upon the expiration of the lease. All equipment and materials left on the Premises after the expiration of the lease maybe removed by Lessor which cost of removal shall be the sole obligation of Lessee.

Lessee shall remove all Personal Property prior to the termination of the Lease, with the failure to do so constituting a waiver of Lessee's ownership of Lessee's Personal Property. In the event Lessee fails to remove Lessee's Personal Property within ten (10) days after termination of the Lease and Lessor elects to remove same, Lessee shall be required to reimburse the Lessor the entire cost of removing Lessee's Personal Property from the Premises.

SECTION 9: NO WASTE, NUISANCE, OR UNLAWFUL USE

Lessee shall not commit or allow to be committed any waste on the Premises, create or allow any nuisance to exist on the Premises, or use or allow the Premises to be used for any unlawful purpose.

SECTION 10: ENVIRONMENTAL OBLIGATIONS

Lessee hereby expressly covenants, warrants, and represents to Lessor, in connection with Lessee's operation at the Premises and Airport, the following:

-
- a) Lessee is knowledgeable of all applicable federal, state, and local environmental laws, ordinances, rules, regulations, and orders (“Environmental Laws”), which apply to Lessee operations at the Premises and acknowledges that such Environmental Laws change from time-to-time and Lessee agrees to keep informed of any such future changes.
 - b) Lessee agrees to comply with all applicable Environmental Laws which apply to Lessee’s operations at the Premises. As a supplement to the indemnification by Lessee in Section 17 below, Lessee agrees to hold harmless and indemnify the Lessor for any violation by Lessee or any one or more of Lessee’s employees, agents, and contractors of such applicable Environmental Laws and for any non-compliance by Lessee or any one or more of Lessee’s employees, agents, and contractors with any permits issued to Lessee pursuant to such Environmental Laws, which hold harmless and indemnity shall include, but not be limited to, enforcement actions to assess, abate, remediate, undertake corrective measures or monitor environmental conditions and for any monetary penalties, costs, expenses (including without limitation reasonable attorney fees and costs), and damages, imposed against Lessee, its employees, invitees, suppliers, or service providers or any one or more of Lessor’s respective officers, agents, employees, representatives and attorneys by reason of Lessee’s violation or non-compliance. The foregoing hold harmless and indemnity shall not apply to the extent any claim arises out of the negligence or willful misconduct on the part of any of the Lessor’s respective officers, agents, employees, representatives and attorneys provided in Section 17 below.
 - c) Subject to the allowance provisions of Section 11, Lessee shall not use, store or house any petroleum fuels, highly flammable or Hazardous Materials on the Premises. For purpose of this Section, the term “Hazardous Materials” means and includes the following: Any hazardous substance as defined in any Environmental Law, including any “Hazardous Waste” or “Hazardous Substance” as defined by CERCLA and the Louisiana Hazardous Waste Control Law, La R.S. 30-2171 et seq. and chemicals subject to the OSHA Hazard Communication Standard. 29 CFR Section 1910.1200 et seq.

SECTION 11: HAZARDOUS MATERIALS

11.1 Hazardous Waste Generation.

In any calendar month during the lease term, if the Lessee generates (a) an excess of 100 kilograms (approx. 220 pounds) of Hazardous Materials (as defined in Section 10(c)), (b) any residue, contaminated soil, waste, or other debris resulting from the clean-up of a spill, or (c) more than one kilogram of “acutely hazardous waste”, then Lessee shall obtain and maintain a Hazardous Waste Generator Permit (hereinafter referred to as “HW Permit”) from the Louisiana Department of Environmental Quality. If Lessee is obligated to obtain an HW Permit pursuant to this section, then the lessee shall procure an authorized collection and disposal company to properly remove and dispose of environmentally regulated materials on at least a quarterly basis. If Lessee is not obligated to obtain an HW Permit pursuant to this section, then the Lessee shall provide documentation, upon request, that an authorized outside service provider has been contracted to service their equipment (i.e. forklifts) and legally dispose of waste products. Service and disposal records shall be made available for inspection by the Airport Environmental Engineer at all times.

“Acute hazardous waste” is any hazardous waste with a waste code beginning with the letter "P" or any state-only hazardous waste with a waste code beginning with the letters "P", "ORP" or any of the following "F" codes: F020, F021, F022, F023, F026, and F027; refer to the MSDS Sheet for applicable waste codes.

11.2 Hazardous Material Storage and Transport Election.

Upon written request to the Director of Aviation, Lessee shall have the option to store and transport certain Approved Hazardous Materials subject to the terms and conditions contained in this Section. Said election shall be approved upon verification that Lessee has met the requirements contained in Section 11.2.B.

A. Approved Hazardous Materials.

1. Subject to the requirements of subsection B and C below, the following classes of Hazardous Materials as defined by the U.S. Department of Transportation are Approved Hazardous Materials under this Lease Agreement:

- a) Class 2 Flammable Gases;
- b) Class 3 Flammable Liquids;
- c) Class 5 Oxidizers;
- d) Class 6 Poisonous Liquids; and
- e) Class 8 Corrosives.

2. B. Requirements for storage and transportation of Approved Hazardous Materials.

3. Lessee agrees to the following obligations in order to be granted the right to store and transport of Approved Hazardous Materials.

- a) Lessee must obtain, and maintain in good standing, a Hazardous Waste Storage and Transportation Permit from the Louisiana Department of Environmental Quality (DEQ) before any Approved Hazardous Materials can be used or stored on the Premises.
- b) Lessee must develop an internal Best Management Practices for the handling, use, storage and disposal of any and all regulated materials and Approved Hazardous Materials and submit same to the NOAB's Environmental Engineer for approval before any Approved Hazardous Materials can be used or stored on the Premises.
- c) Lessee must file Quarterly Environmental Reports with NOAB's Environmental Engineer. Quarterly Facility Inspection Log attached as Exhibit B.
- d) Lessee must ensure all employees that are located at the leased premises attend annual EPA-mandated Storm Water Pollution Prevention training, and document same through a signed attendance roster. The training material shall be provided by the NOAB Airport Environmental Engineer. The first EPA-mandated Storm Water Pollution Prevention training for all employees that are located at the leased Premises must take place before any Approved Hazardous Materials can be used or stored on the Premises.

4. C. Inspection.

5. Prior to the initial storage and use of Approved Hazardous Materials, the leased Premises must be inspected and approved by the NOAB Fire Chief. Thereafter, the NOAB Fire Chief shall have the right to enter the leased premises and inspect the conditions thereof at any time and without notice.

6. D. Termination of Allowance.

7. Lessor reserves the right to both amend the definition of Approved Hazardous Materials to remove or add classes of hazardous materials or to terminate the allowance of hazard materials completely as it deems appropriate and as may be required to comply with Federal Aviation Administration (FAA) rules, instructions, regulations and guidance, Transportation Security Agency

(TSA) rules, instructions, and regulations and/or to further any Airport development or improvement as it sees fit. Furthermore, Lessee may elect to terminate the allowance as well.

SECTION 12: UTILITIES

Lessee shall be responsible for paying for all utilities, including without limitation water, sewer, telephone, electricity and refuse collection used in and at the Premises.

SECTION 13: TAXES AND ASSESSMENTS

Lessee agrees to pay Lessor within thirty (30) days of receipt, and all other utility providers before delinquency, all uncontested lawful taxes, assessments, fees or charges which at any time may be levied by the state, parish, city or any tax or assessment levying body upon the immovable property or any activity carried on under this Lease, any interest in this Lease or any possessory right which Lessee may have in or to any property covered under this Lease or by reason of Lessee's use or occupancy thereof or otherwise, as well as all lawful taxes, assessments, fees and charges on goods, merchandise, fixtures, appliances, equipment and property owned by Lessee in or about the Premises.

SECTION 14: MAINTENANCE AND REPAIR

Lessee, at Lessee's sole cost and expense at all times during the term of this Lease, agrees to keep and maintain, or cause to be kept and maintained, the Premises in a good state of appearance and repair, reasonable wear and tear excepted. Where applicable, Lessee shall provide and use suitable covered receptacles for all garbage, trash and other refuse. Piling of boxes, cartons, barrels or similar items, in an unsightly, unsafe manner, on or about the Premises, is prohibited. Lessee shall provide complete and proper arrangements for the adequate sanitary handling and disposal, away from the Premises, of all trash, garbage, and other refuse caused as a result of the Lessee's occupancy and use of the Premises.

SECTION 15: SIGNS

Lessee shall have the right to place signs on the Premises subject to any applicable laws, code and ordinances, subject to any reasonable rules and regulations of the Lessor and subject to the prior approval of the Lessor. Lessee shall be solely responsible for maintaining its signs in good condition and shall remove them and repair any damage caused by such removal on or before the Expiration Date. Lessee is not allowed to place or to erect any signs or advertising material on the Premises without the prior approval of the Lessor.

SECTION 16: ACCESS

Lessor and Lessor's authorized representatives shall have the right to enter the Leased Premises following 48 hours' notice to Lessee for the purpose of:

- a) Performing any maintenance or repairs that Lessee has failed to undertake, and
- b) Inspecting the Premises to verify that fire, safety, sanitation regulations, and other provisions contained in this Lease are being adhered to by Lessee.

Lessor shall use its best efforts to conduct Lessor's activities in the Premises in a reasonable manner that will seek to minimize interference with Lessee's business operations. Lessor shall be permitted access to the Premises for emergencies without prior notice to Lessee, so long as Lessee is notified as soon thereafter as is reasonably possible.

SECTION 17: INDEMNIFICATION

The Lessee shall fully indemnify, hold harmless and defend the City, Board, and all their respective officers, agents, employees, representatives and attorneys from and against all suits, actions,

claims, damages, losses and expenses, direct, indirect or consequential, including but not limited to fees and charges of attorneys and other professionals and court and arbitration costs, of any character, name, and description brought for or on account of any injuries or damages, including but not restricted to death, received or sustained by any persons or property on account of, arising out of, or in connection with:

- a) The operations of the Lessee, its contractors, sub-contractors, vendors, visitors, and suppliers; and
- b) Any negligent act or intentional omission, misconduct, or fault of the Lessee, its contractors, sub-contractors, vendors, visitors and suppliers or their agents or employees in the execution of the lease or performance of the services required thereunder; and
- c) Any violation of law, ordinance, regulation, or order of any public authority having jurisdiction over the services required hereunder.

The Lessor shall fully indemnify, save harmless and defend Lessee and all its officers, agents, employees, representatives and attorneys from and against all suits, actions, claims, damages, losses and expenses, direct, indirect or consequential (including but not limited to fees and charges of attorneys and other professionals and court and arbitration costs) of any character, name, and description brought for or on account of any injuries or damages (including but not restricted to death) received or sustained by any persons or property on account of, arising out of, or in connection with:

- a) The operations of the Lessor, its contractors, sub-contractors, vendors, visitors and suppliers; and
- b) Any negligent act or intentional omission, misconduct, or fault of the Lessor, its contractors, sub-contractors, vendors, visitors, suppliers and their agents and employees in the execution of this Lease Agreement or performance of the services required thereunder.

SECTION 18: INSURANCE

18.1. Minimum Coverage.

Lessee shall purchase in its name and maintain at a minimum, for the duration of the lease, at the Lessee's sole cost and expense, the following insurance policies to provide primary coverage for claims and/or suits that may arise out of or result from damage to the Premises or the performance of the work of the Lessee, its agents, partners, laborers, suppliers, employees, representatives and any contractors and sub-contractor or anyone directly or indirectly employed by any of them to perform or furnish any of the obligations of the Lessee, or by anyone for whose acts any of them may be liable:

- a) Workers' Compensation Insurance with statutory limits of liability and minimum Employer's Liability Limits of One Million Dollars (\$1,000,000).
- b) Automobile Liability Insurance with a minimum One Million Dollars (\$1,000,000) combined single limit per occurrence for bodily injury and property damage. The insurance shall include coverage for owned vehicles, hired vehicles and non-owned vehicles.
- c) Commercial General Liability insurance with a minimum Five Million Dollars (\$5,000,000) combined single limit per occurrence bodily injury and property damage. This insurance shall include coverage for premises-operations, broad-form contractual liability, products and completed operations, use of contractors and subcontractors, personal injury, and broad-form property damage. A "Claims made" form shall not be acceptable. The "occurrence form" shall not have a "sunset clause."

18.2. Endorsements.

The insurance policies herein required shall contain or be endorsed to contain the following provisions:

- a) Workers' Compensation coverage shall contain an express waiver of all rights against the City of New Orleans (City) and Lessor, its elected and appointed officials, officers, agents, directors, volunteers, and employees, for losses arising from the services performed by the Lessee for the City and the Lessor.
- b) The City and Lessor and their respective officers, officials, and employees are to be added as additional insured with respect to (i) liability arising out of activities performed by or on behalf of the Lessee; (ii) products and completed operations of the Lessee, and (iii) the insurance obtained by Lessee insuring the Premises against casualty losses. The coverage shall contain no special limitations on the scope of protection afforded the additional insured.
- c) Certificates of insurance acceptable to Lessor shall be provided to Lessor prior to commencement of the Lease. These certificates shall contain a provision that coverage afforded under the policies of insurance shall not be canceled unless and until at least thirty (30) days prior written notice has been given to Lessor. Annual renewals of certificates of insurance shall be furnished to the Director of Aviation or his designee prior to cancellation or expiration of the previous policy.

All insurance required by this Section shall be placed with insurers that are licensed and authorized to do business in the State of Louisiana and have a rating of no less than A-VI in the most current edition of the A.M. Best Insurance Report, AAA in Moody's, and AAA in Standard and Poor's. The providing of any insurance required herein does not relieve the Lessee of any of the responsibilities or obligations or for which the Lessee may be liable by law, lease or otherwise. The Lessee's failure to provide and maintain such insurance in force as required above shall materially breach the Lease and, at the City and /or Lessor's option, occasion an immediate cancellation for cause thereof. The Lessee and any subcontractors shall comply with all laws relating to immigration and naturalization; failure to comply shall constitute an event of default under the Lease.

SECTION 19: CASUALTY

If the Premises are totally destroyed by fire or other casualty, due to no fault of Lessee, that renders the entire Premises incapable of being occupied and operated for the purposes set forth herein by Lessee within one hundred eighty (180) days of the date of the fire or other casualty, in Lessee's sole discretion, Lessee shall have a right to terminate this Lease. In such a case, all insurance proceeds covering the improvements on the Premises shall be the property of Lessor.

If the Premises are partially damaged or rendered partially incapable of being occupied and operated for the purposes set forth herein by Lessee by fire or other casualty, in Lessee's sole discretion and through no fault of Lessee, this Lease shall continue in effect except that the damages to the Premises shall be repaired within a reasonable time by Lessor and until full use of the Premises is restored. Base Rent shall partially abate in the proportion that the subject area incapable of the aforesaid occupancy and operation bears to the entire area of the Premises. If full tenancy is not restored within One Hundred Eighty (180) calendar days from the date of the casualty, either Lessee or Lessor may terminate this Lease upon ten days' written notice, without liability to either party, and any pre-paid Base Rent shall be prorated and refunded to Lessee. Repair of the Premises by Lessor shall be limited to rebuilding those structures which existed as of the Effective Date and insurance proceeds received.

SECTION 20: CONDEMNATION

In the event that any federal, state or local government or agency or instrumentality thereof shall, by condemnation or otherwise, take title, possession or the right to possession of the Premises or any part

thereof, the Lessor may, at its option, terminate this Lease as of the date of such taking, and if Lessee is not in default under any of the provisions of this Lease on said date, any rent or concession fees prepaid by Lessee shall, to the extent allocable to any period subsequent to the effective date of the termination, be promptly refunded to Lessee. In addition, Lessee shall be entitled to participate in any compensation paid in the event of a taking, not to exceed the leasehold improvements or alterations.

During any war or national emergency, Lessor shall have the right to lease any part of the Airport, including its landing area, to the United States Government. In this event, any provisions of this Lease which are inconsistent with the provisions of the lease to the Government shall be suspended. Lessor shall not be liable for any loss or damages alleged by Lessee as a result of this action. However, nothing in this Lease shall prevent Lessee from pursuing any rights it may have for reimbursement from the United States Government.

This Lease shall be subordinate to the provisions of any existing or future agreement between Lessor and the United States Government relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport. Should the effect of such agreement with the United States government be to take all or any of the Premises or substantially alter or destroy the commercial value of the leasehold interest granted herein, Lessor shall not be held liable therefore, but in such event Lessee may cancel this Lease upon ten (10) days written notice to Lessee.

SECTION 21: ASSIGNMENT AND SUBLETTING

21.1. Mortgage.

Lessee shall not be allowed to mortgage, to grant a security interest in, to assign for security or collateral purposes, or otherwise to encumber Lessee's interest in and to the Premises or this Lease.

21.2. Transfer/Sublet.

Lessee shall not transfer, assign, sublet, or otherwise alienate Lessee's interest in and to the Premises without first obtaining the written consent of Lessor, which consent shall not be unreasonably withheld. Any transfer, assignment, subletting, or alienation of this Lease or of Lessee's leasehold interest in the Premises without the prior written consent of Lessor shall be null and void.

21.3. Permission to Sublease.

In the event Lessee requests permission to sublease, the request shall be submitted to the Director of Aviation and must be approved by the Board prior to the effective date of the sublease requested and shall be accompanied by a copy of the proposed sublease agreements and all agreements collateral thereto. The area or space to be subleased, the rental to be charged, the type of business to be conducted, and the identity and financial history of the sub-tenant shall be specified. Each transfer, assignment or subletting to which there has been consent shall be by instrument, in writing, and shall be executed by transferee, assignee or sub-lessee who shall agree in writing, for the benefit of Lessor, to be bound by and to perform the terms, covenants and conditions of this Lease. Five (5) executed copies of such written instrument shall be delivered to Lessor. Failure to first obtain written consent from the Lessor, or failure to comply with the provisions herein contained, shall operate to prevent any such transfer, assignment or subletting from becoming effective. -At Lessee's option, Lessee shall record [a memorandum of](#) this Lease with the recorder of mortgages for Jefferson Parish within 15 days of all parties signing this Lease.

21.4. Lessor Consent.

Should the assignment of this Lease be consented by Lessor and to the extent that such assignee assumes Lessee's obligations hereunder, Lessee shall not, by virtue of such assignment, be released from

Lessee's obligations under the Lease unless at the time of the giving of Lessor's written consent Lessor expressly agrees in writing to the contrary. Should the subletting of the Premises be consented to by Lessor, Lessee agrees and acknowledges that Lessee shall remain fully and primarily liable under this Lease, notwithstanding any such sublease and that any such sub-lessee shall be required to attorn to Lessor under the terms of this Lease.

The receipt by the Lessor of rent from any assignee, subtenant or occupant of the Premises shall not be deemed a waiver of the requirements in this Section 20 or an acceptance by Lessor of the assignee, subtenant or occupant as a tenant or a release of the Lessee from further observance or performance by the Lessee of the covenants and obligations contained in this Lease. No provisions of this Lease shall be deemed to have been waived by the Lessor unless such waiver is in writing, signed by the Lessor's Director of Aviation. Lessor reserves the right to transfer Lessor's interest in the Lease.

SECTION 22: DEFAULT

22.1. Lessee Conditions of Default.

The occurrence of any one or more of the following events ("Lessee Event of Default") shall constitute an event of default and breach of this Lease by Lessee:

- a) Vacating or abandonment of the Premises by Lessee for more than sixty (60) days;
- b) Failure by Lessee to make any payment of Base Rent or any other payment required to be made by Lessee under this Lease when due where such failure continues for a period of ten (10) days after written notice by Lessor to Lessee;
- c) Breach of any Lessee covenant or obligation under Section 10 in this Lease which is not cured immediately after written notice by Lessor to Lessee; or
- d) Breach of any Lessee covenant or obligation in the Lease other than under Section 10 of the Lease where such failure continues for a period of thirty (30) days after written notice by Lessor to Lessee.

22.2. Lessor Conditions of Default.

The occurrence of any one or more of the following events ("Lessor Event of Default") shall constitute an event of default and breach of this Lease by Lessor:

- a) Breach of any Lessor covenant contained herein where such failure continues for a period of thirty (30) days after written notice by Lessee to Lessor.

22.3. Remedies for Lessee Event of Default.

Except as specifically provided to the contrary in this Lease, if a Lessee Event of Default occurs, Lessor shall be entitled to exercise any one or more of the following rights, which shall be deemed cumulative:

- a) Terminate the Lease and evict Lessee if Lessee does not vacate the Lease Premises within 30 days' notice. Lessee hereby waives all rights to notice of termination of lease and/or notice to vacate pursuant to Louisiana Civil Code article 4701;
- b) Pursue claims for damages against Lessee if they exceed the accelerated rent due;
- c) Charge interest (at the then applicable highest annual rate of legal interest under Louisiana law) on all due and unpaid Base Rent and other payments owed by Lessee under this Lease, on and after the occurrence of an Event of Default;
- d) Charge Lessee an amount equal to Lessor's reasonable legal fees and costs incurred on and after a default by Lessee under the Lease;

-
- e) Accelerate all rents due for the unexpired term of the Lease; or
 - f) Exercise any and all rights and remedies available at law.

22.4. Remedies for Lessor Event of Default.

Except as specifically provided to the contrary in this Lease, if a Lessor Event of Default occurs, Lessee shall be entitled to exercise any one or more of the following rights, which shall be deemed cumulative:

- a) Terminate the Lease;
- b) Pursue claims for damages against Lessor;
- c) Charge Lessor an amount equal to Lessee's reasonable legal fees and costs incurred on and after a default by Lessor under the Lease; or
- d) Pursue any and all other remedy available at law or equity.

Other than the notices of default provided in Section 22.1 and Section 22.2, respectively, neither party shall be required to give thirty (30) days' notice to the other, in order to exercise any one or more of the foregoing remedies. Likewise, neither party shall be liable to the other if said party exercises any one or more of the foregoing remedies.

SECTION 23: BROKERS

Lessor represents and warrants that Lessor is solely responsible for any real estate broker retained or otherwise utilized by Lessor in connection with the Lease of the Premises described herein and that no real estate or broker commissions are due by Lessee to anyone retained or used by Lessor.

SECTION 24: TITLE AND QUIET POSSESSION

Lessor represents and warrants that:

- a) The Lessor is the owner of the Premises;
- b) The Lessor has the right to enter into this Lease; and
- c) The person signing this Lease on behalf of Lessor has the authority to sign this Lease on behalf of Lessor.

Lessor and anyone claiming by and through Lessor hereby covenants that Lessee is entitled to access to the Premises at all times and to the quiet possession of the Premises during the term of the Lease, subject to the access and occupancy limitations set forth elsewhere in this Lease, provided that Lessee is not in default of any Lessee's obligations under this Lease.

SECTION 25: RELOCATION RIGHTS

Lessor reserves the right to develop and improve the Airport as it sees fit, regardless of the desires or views of the Lessee, and without interference or hindrance by or on behalf of Lessee. Accordingly, nothing contained in this Lease shall be construed to obligate Lessor to relocate Lessee as a result of any such Airport developments or improvements.

SECTION 26: RULES AND REGULATIONS

Lessee shall observe the rules and regulations which Lessor shall from time to time promulgate with respect to the Premises. Lessor reserves the right from time to time to make reasonable modifications to such rules and regulations which shall be binding on Lessee and all other tenants and subtenants upon

delivery of a copy of the modified rules and regulations to Lessee. Lessee shall also observe all federal, state, and local rules and regulations which may affect Lessee's operations under this Lease.

In the event the Federal Aviation Administration (FAA), or its successors, or the Transportation Security Agency (TSA) requires modifications or changes in this Lease as a condition precedent to the granting of funds for the improvement of the Airport, Lessee agrees to consent to such amendments, modifications, revisions, supplements, or deletions of any of the terms, conditions, or requirements of this Lease as may be reasonably required to obtain such fund; provided, however, that in no event will Lessee be required, pursuant to this subsection, to agree to an increase in the rent or other charges.

SECTION 27: SUCCESSORS

This Lease and the terms and conditions contained herein shall run with the Premises and inure to the benefit of and be binding upon the parties hereto and each of their respective heirs, executors, administrators, successors and permitted assigns.

SECTION 28: JURISDICTION & GOVERNING LAW

The Lessee consents and yields to the exclusive jurisdiction of the State Civil Courts of the Parish of Orleans, and does hereby formally waive any pleas of jurisdiction on account of the residence elsewhere of the Lessee, as to all disputes arising from or related to the Lease. The Lease shall be construed and enforced according to the laws of the state of Louisiana, excepting its conflict of laws provisions.

SECTION 29: AMENDMENT

This Lease shall not be modified except by written agreement signed by Lessor and Lessee through their respective duly authorized representatives.

SECTION 30: NO WAIVER

The failure of Lessee or Lessor hereto at any time to require performance by the other of any provision of this Lease shall in no way affect the party's right to enforce such provision, nor shall the waiver by either party of any breach of any provision of this Lease be taken or held to be a waiver of any further breach of the same provision or any other provision.

SECTION 31: FORCE MAJEURE

Except as herein provided, neither Lessor nor Lessee shall be deemed to be in default hereunder if either party is prevented from performing any of the obligations, other than the payment of rentals, fees, and charges hereunder, by reason of strikes, boycotts, labor disputes, embargoes, shortages of energy or materials, acts of God, acts of the public enemy, tornado, hurricane, riots, rebellion, sabotage, war, or any other circumstances for which it is not responsible or which are not within its control.

SECTION 32: MISCELLANEOUS PROVISIONS

32.1. Legal Construction

In the event any one or more of the provisions contained in this Lease shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, of unenforceability shall not affect any other provision thereof, and this Lease shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

32.2. Prior Agreements Superseded

This agreement constitutes the sole and only agreement of the parties hereto and supersedes any prior understandings or written or oral agreements between the parties respecting the within subject matter.

32.3. Notices

All notices provided to be given under this Lease shall be deemed properly served if such notice is given by certified mail, return receipt requested, addressed to the other party at the following address, or such other address as either party may, from time to time, designate in writing:

Lessor: Director of Aviation
New Orleans Aviation Board
P. O. Box 20007
New Orleans, Louisiana 70141

With copy to: Deputy Director and CFO
New Orleans Aviation Board
P. O. Box 20007
New Orleans, Louisiana 70141

Lessee: LESSEE
XXXX
XXXX

Notices mailed in accordance with the provisions hereof shall be deemed to have been given as of the date of receipt or the third business day following the date of such mailing, whichever is earlier.

32.4. Successors and Assigns

The covenants and agreements contained in this lease shall bind and inure to the benefit of the parties hereto and their respective successors and assigns.

SECTION 33: EQUAL EMPLOYMENT OPPORTUNITY

In all hiring or employment made possible by, or resulting from the Lease, there (1) will not be any discrimination against any employee or applicant for employment because of race, color, religion, gender, age, physical or mental disability, national origin, sexual orientation, creed, culture, or ancestry, and (2) where applicable, affirmative action will be taken to ensure that the lessee/developer/operator's employees are treated during employment without regard to their race, color, religion, gender, age, physical or mental disability, national origin, sexual orientation, creed, culture, or ancestry. This requirement shall apply to, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. All solicitations or advertisements for employees shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, gender, age, physical or mental disability, national origin, sexual orientation, creed, culture, or ancestry. The Lessee shall include the provisions of this paragraph in all subleases, if permitted.

Lessee, for itself, its personal representatives, successors in interest and assigns, as part of the consideration herein, agrees as a covenant running with the land that no person shall be excluded from participation in or denied the benefits of Lessee's use of the Premises on the basis of race, color, national origin, religion, handicap, sex, sexual orientation or familial status. Lessee further agrees for itself, its personal representatives, successors in interest and assigns that no person shall be excluded from the

provision of any services on or in the construction of any improvements or alterations to the Premises on grounds of race, color, national origin, religion, handicap, sex, sexual orientation or familial status.

Lessee agrees to furnish its accommodations and to price its goods and services on a fair and equal basis to all persons. In addition, Lessee covenants and agrees that it will at all times comply with any requirements imposed by or pursuant to Title 49 of the Code of Federal Regulations, Part 21, Non-Discrimination in Federally Assisted Programs of the Department of Transportation and with any amendments to this regulation which may hereafter be enacted.

In the event of a breach of any of the above nondiscrimination covenants, Lessor shall have the right to terminate the Lease and to reenter and repossess the Premises and hold the same as of the Lease had never been made or issued; provided however, that the Lessee allegedly in breach shall have the right to contest said alleged breach under applicable Federal Aviation Administration procedures, and any sanctions under or termination of the Lease shall be withheld pending completion of such procedures.

If any claim arises from an alleged violation of this non-discrimination covenant by Lessee, its personal representatives, successors in interest or assigns, Lessee agrees to indemnify Lessor and hold Lessor harmless pursuant to Section 17.

SECTION 34: CONFLICT OF INTEREST

Lessee covenants that it has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the services and obligations required to be performed under this Lease.

SECTION 35: INDEPENDENT CONTRACTOR

35.1. Acknowledgment of Exclusion of Worker's Compensation and Unemployment Compensation Coverage.

The Lessee hereby and in this Lease expressly agrees and acknowledges that it is an independent contractor and as such, it is expressly agreed and understood that the Lessor shall not be liable for any benefits or coverage as provided by the Workmen's Compensation Law of the State of Louisiana or applicable unemployment compensation law, and further, anyone employed by the Lessee shall not be considered an employee of the Lessor for the purpose of workers compensation or unemployment compensation coverage, or for any other purpose.

35.2. Waiver of Sick and Annual Leave Benefits.

It is expressly agreed and understood that the Lessee, acting as an independent entity, shall not receive any sick or annual leave benefits from the Lessor.

SECTION 36: DELINQUENT TAXES

Lessee swears that it complies with City Code §2-8(a). Lessee is not delinquent in any taxes owed to the City.

SECTION 37: CONVICTED FELON

Lessee swears that it complies with City Code §2-8(c). No Lessee principal, member, or officer has, within the preceding five years, been convicted of, or pled guilty to, a felony under state or federal statutes for embezzlement, theft of public funds, bribery, or falsification or destruction of public records.

SECTION 38: NON-SOLICITATION

Lessee swears that it has not employed or retained any company or person, other than a bona fide employee working solely for him, to solicit or secure the subject contract. Lessee has not paid or agreed to pay any person, other than a bona fide employee working for him, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the subject contract.

SECTION 39: INSPECTOR GENERAL COOPERATION

It is agreed that the Lessee or applicant will abide by all provisions of City Code §2-1120, including but not limited to City Code §2-1120(12), which requires the Lessee to provide the Office of Inspector General with documents and information as requested. Failure to comply with such requests shall constitute a material breach of the contract. In signing this contract, Lessee agrees that it is subject to the jurisdiction of the Orleans Parish Civil District Court for purposes of challenging a subpoena.

SECTION 40: OWNERSHIP INTEREST PROVISION

The Lessee shall provide a sworn affidavit listing all persons, natural or artificial, with an ownership interest in the Lessee and stating that no other person holds an ownership interest in the Lessee via a counter letter. For the purposes hereof, an “ownership interest” shall not be deemed to include ownership of stock in a publicly traded corporation or ownership of an interest in a mutual fund or trust that holds an interest in a publicly traded corporation. Lessee agrees to provide to the Lessor a sworn affidavit attesting to the above provisions if requested by the Lessor to do so; failure to provide such affidavit upon request shall give Lessor the option to cancel this Lease.

SECTION 41: SUBCONTRACTING

The Lessor did not set an ACDBE participation goal for this lease agreement but continues to encourage the use of ACDBE firms. The Lessor desires to achieve, to the greatest extent possible, quality participation by certified ACDBE firms in order to reach its annual overall goal of 23.35%. Although there is no ACDBE participation requirement, Lessee is encouraged to present a creative and responsive plan that provides for participation that is commercially meaningful and useful in the areas of construction build-out and procurement of goods and services.

SECTION 42: SUBORDINATION

This lease agreement is subordinate to the lessor’s obligations to the federal government under existing and future agreements for federal aid for the development and maintenance of the airport.

SECTION 43: REQUIRED FEDERAL CONTRACT PROVISIONS

The Lessee agrees to comply with the Required Federal Contract Provisions attached hereto as Exhibit B.

INTENTIONALLY LEFT BLANK BELOW THIS LINE

IN WITNESS WHEREOF the parties hereto through their duly authorized representatives, have executed this contract to be effective as of the Effective Date as set forth above.

CITY OF NEW ORLEANS

By: _____

Mitchell J. Landrieu, Mayor

Date: _____

Form and Legality Approved:

Law Department

City of New Orleans

By: _____

Printed Name _____

Date: _____

[NOAB SIGNATURES CONTAINED ON NEXT PAGE]

NEW ORLEANS AVIATION BOARD

By: _____
Cheryl Teamer, Chairwoman Date
New Orleans Aviation Board

By: _____
Mark Reis, Interim Director of Aviation Date
New Orleans Aviation Board

Reviewed as to form and legality:

By: _____
Michele Allen-Hart Date
General Counsel and Deputy Director of Legal Affairs
New Orleans Aviation Board

[LESSEE SIGNATURE CONTAINED ON NEXT PAGE]

LESSEE

By: _____

Print Name: _____

Taxpayer Identification Number: _____

Date: _____

Exhibit A
Map of Location of Premises

Leased Premises area outlined in red

