

8809. RESOLUTION 03-06 - LEASE AGREEMENT BETWEEN THE DELAWARE RIVER AND BAY AUTHORITY AND ITT INDUSTRIES ASSET MANAGEMENT, INC. The Director presented the following Resolution.

WHEREAS, The Delaware River and Bay Authority (the "Authority"), is the operator of the New Castle Airport; and

WHEREAS, ITT Industries Asset Management, Inc. desires to lease 100% of the Hangar and office and shop space located at 17 DRBA Way, New Castle Airport and commonly referred to as Hangar 10; and

WHEREAS, 100% of Hangar 10 equals approximately 15,625 square feet of hangar space and approximately 7,725 square feet of office and shop space; and

WHEREAS, ITT Industries Asset Management, Inc. agrees to pay the Authority based rent for Hangar 10 in the amount of \$330,000 during the initial term of the agreement; and

WHEREAS, the rental rate shall be adjusted annually by the Consumer Price Index (CPI); and

WHEREAS, construction on Hangar 10 is projected for completion on June 1, 2003; and

WHEREAS, until a certificate of occupancy is acquired for Hangar 10, the Authority will provide temporary hangar space to house ITT Industries Asset Management, Inc.'s two planes together; and

WHEREAS, during ITT Industries Asset Management, Inc. temporary hangaring of planes requires no office space, so a reduced monthly rental rate of \$19,250 will be charged during this period; and

WHEREAS, the initial term of this agreement is for five (5) years; and

WHEREAS, ITT Industries Asset Management, Inc., Inc. shall have the option of renewing this Lease for three (3) periods of five (5) years each; and

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of a Lease Agreement with ITT Industries Asset Management, Inc. and, with the advice and consent of Counsel, to have such an Agreement executed by the Chairperson, Vice Chairperson, and Executive Director.

On motion by Commissioner Derrickson, seconded by Commissioner Pessagno, the recommendation of the Director was approved by a roll call vote of 11-0.