

**10008. RESOLUTION 09-36 - AUTHORIZES A SETTLEMENT AND MUTUAL RELEASE AGREEMENT WITH RED EAGLE AVIONICS, LLC**

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

WHEREAS, Red Eagle Avionics, Inc. and New Castle County entered into that certain Lease dated as of February 1, 1994 (the “Lease”) pursuant to which New Castle County leased approximately 0.4696 acres of land (the “Property”) located at the Airport to Red Eagle Avionics, Inc.; and

WHEREAS, New Castle County assigned all of its rights, title and interest in and to the Lease to the DRBA pursuant to that certain Acquisition Agreement dated March 9, 1995 between New Castle County and the DRBA; and

WHEREAS, Red Eagle Avionics, Inc. assigned its leasehold interest in the Property under the Lease to Red Eagle Avionics, LLC, a Delaware limited liability company (“Red Eagle”), in 2006; and

WHEREAS, Red Eagle has asserted the right pursuant to its interpretation of the Lease to sell fuel directly to third parties, including its subtenants, and the DRBA disagrees with Red Eagle’s interpretation of the Lease provisions and is not able to permit Red Eagle to sell or dispense fuel to third parties; and

WHEREAS, the parties are in disagreement as to whether the two (2) ten (10) year lease-renewal options (the “Renewal Options”) referenced in Section 2 of the Lease were assignable, and, thus, whether such options inure to the benefit of Red Eagle, as assignee of the original lessee, Red Eagle Avionics, Inc.; and

WHEREAS, Red Eagle desires to obtain two (2) ten (10) year renewal options under the Lease and the DRBA has agreed to grant such renewal options; and

WHEREAS, Red Eagle desires to obtain a limited right of first refusal to lease a certain parcel of land adjacent to the Property; and

WHEREAS, the parties desire to enter into a Settlement Agreement to resolve each of these issues and to settle fully any and all disputes and claims between them.

NOW, THEREFORE, BE IT RESOLVED, that the Executive Director is hereby authorized to finalize the terms and conditions of the Settlement and Mutual Release Agreement with Red Eagle with the advice and consent of counsel, executed by the Chairperson, Vice Chairperson, and the Executive Director.

A motion to approve Resolution 09-36 was made by Commissioner Downes, seconded by Commissioner Smith, and approved by a roll call vote of 12-0.