RESOLUTION NUMBER 05-067

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KETCHUM, IDAHO, AUTHORIZING THE MAYOR TO EXECUTE A LEASE AGREEMENT WITH THE SUN VALLEY COMPANY FOR PASTURE PROPERTY LOCATED ON THE SOUTHEAST SIDE OF SUN VALLEY ROAD AND THE RIVER RUN UPPER PARKING LOT DURING THE WAGON DAYS CELEBRATION.

WHEREAS, the City of Ketchum, as part of the Wagon Days celebration, wishes to lease certain real property owned by the Sun Valley Company including the upper parking lot at River Run and the pasture on the southeast side of Sun Valley Road; and

WHEREAS, I.C. §50-301 empowers the City to lease real property; and

WHEREAS, leasing such property is necessary to ensure the public health, safety, and welfare during the Wagon Days celebration; and,

NOW, THEREFORE, BE IT RESOLVED by the Mayor and the City Council of the City of Ketchum, Idaho that the City Council hereby authorizes the Mayor to execute a Lease Agreement with the Sun Valley Company regarding the use of pasture property located on southeast side of Sun Valley Road and the River Run Upper Parking Lot during the Wagon Days Celebration.

PASSED by the City Council, and APPROVED by the Mayor this 15th day of August 2005.

CITY OF KETCHUM, IDAHO

EDWARD SIMON, Mayor

ATTEST:

Sandra E. Cady, CMC
Treasurer/Clerk

APPROVED AS TO FORM AND CONTENT:

Benjamin W. Worst,
City Attorney

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made and entered into as of August 15, 2005, by and between Sinclair Oil Corporation, a Wyoming corporation dba Sun Valley Company ("Lessor") and The City of Ketchum/Wagon Days Committee ("Lessee").

WHEREAS, Lessor is the owner of certain real property and improvements thereon as more particularly described in the attached Exhibit A (**"Premises"**); and

WHEREAS, Lessor desires to lease all of such Premises to Lessee and Lessee desires to take under lease all of such Premises from Lessor upon the terms and conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the mutual covenants, obligations and promises herein contained, the parties hereto agree as follows:

ARTICLE I
Premises and Term

Lessor, for and in consideration of the rent, covenants, agreements and conditions hereinafter set forth to be kept and performed by Lessee, hereby leases the Premises to Lessee.

This Lease shall commence on August 31, 2005 and shall terminate on September 4, 2005.

ARTICLE II
Rent

Lessee agrees to pay Lessor rental for Premises as follows: 25% of all profits generated from charging RV's to Park at the Dry Land River Run Upper Parking Lot. One Dollar ($1.00) for the use of pasture and grazing of livestock.

ARTICLE III
Use of Premises

It is covenanted and agreed that the Premises may be used for storage of non-motorized vehicles in designated pasture area and River Run Upper Parking Lot and for any other use approved in writing, in advance, by the Lessor.

Lessee shall not use the Premises in any manner that will render void any insurance carried by Lessor on the Premises.

Lessee shall not use the Premises for any purpose that violates any federal, state, county, or municipal statute or ordinance, or of any regulation, order, or directive of any governmental agency concerning the use and/or safety of the Premises.

ARTICLE IV
Assignment and Sublease

Lessee will not assign or in any manner transfer this Lease or any interest therein, and will not suffer or permit any assignment thereof by operation of law or sublet the Premises hereby leased, or any part thereof, or allow anyone to take over the Premises or this Lease with, through or under Lessee without the written consent of Lessor. The giving of any such consent shall not release or discharge Lessee from the performance of its duties and obligations. The granting of such written consent shall not be deemed to waive the requirement of prior consent for any subsequent or additional assignments or subleases.

ARTICLE V
Repairs and Maintenance

It is expressly understood that Lessee accepts the Premises in their present condition. Lessee agrees to make and pay for all ordinary repairs to the interior of the Premises. Lessee agrees to make and pay for all ordinary repairs of mechanical equipment on the Premises.

Lessee assumes all liability for and Lessor shall not be held liable for injury, loss or damage to persons or property occurring on the Premises during the term of this lease.

Lessor, for itself and its agents, reserves the right to enter the Premises at all reasonable times during the term of this Lease for the purpose of (a) examining and inspecting the same; (b) making such repairs thereto as Lessor may deem necessary or desirable.

ARTICLE VI
Public Liability Insurance

Lessee agrees to provide and keep in force during the term of this Lease for the benefit of the Lessor, general liability policies of insurance in an amount no less than Two Million Dollars per occurrence, in standard form, reasonably satisfactory to Lessor, insuring Lessee and Lessor (as an additional insured) against any liability that may accrue against them or either of them on account of any occurrences in or about the Premises during the term of this Lease, or in consequence of Lessee's occupancy thereof, or for Lessee's contractual liability under this Lease, and resulting in personal injury or death or property damage. Lessee shall furnish Lessor with a certificate or certificates of insurance covering such insurance so maintained by Lessee, stipulating that such insurance shall not be cancelled without notice in advance to Lessor.

ARTICLE VII
Fire Insurance

Lessee shall keep the real property and any improvements thereon insured against loss or damage by fire and the perils commonly covered under the standard extended coverage endorsement to the extent of the replacement value thereon. Such insurance shall be carried for the protection of both Lessee and Lessor (as an additional insured).

ARTICLE XIII
Default by Lessee

If any one or more of the following events ("**Default**") shall happen and be continuing, namely:

A. Lessee shall fail to pay any rent or other sum of money to Lessor when the same is due and such failure continues for Five (5) days after Lessor has given Lessee written notice thereof;

B. Lessee shall default in the performance of any of the terms or provisions of this Lease (other than the payment of rent or other sum of money) and shall fail to cure such default within One (1) day after notice thereof is given;

Then, and in any of such events of Default, Lessor shall have the immediate right to re-enter the Premises and expel Lessee or any person, or persons occupying the same, with or without legal process, and in any such event, Lessee agrees to peacefully and quietly yield up and surrender the Premises to Lessor. Lessor shall also have the right to pursue all other legal and equitable remedies.

ARTICLE IX
Surrender of Possession

Upon the termination of this Lease, whether by reason of lapse of time, cancellation, forfeiture or otherwise, or upon any uncured default by Lessee as hereinabove defined, Lessee shall immediately surrender and deliver to Lessor possession of the Premises and all appurtenances thereto in good condition and repair and shall repair any damages to the Premises that occurred during the term of this Lease.

ARTICLE X
Waiver of Breach

No waiver of any breach or breaches of any covenant or condition herein contained shall operate as a waiver of any breach of any other covenant or condition herein contained, or as the waiver of any subsequent breach of the same covenant or condition.

ARTICLE XI
Costs and Attorneys Fees

The costs, including reasonable attorneys fees, of any action brought to enforce any of the terms or provisions of this Lease, shall be borne by the party adjudged by the Court to have violated any of the terms or provisions of this Lease.

ARTICLE XII
Miscellaneous Provisions

This Lease is and shall be considered to be the only agreement and understanding between the parties hereto with respect to the subject matter hereof. All negotiations and oral agreements acceptable to both parties have been incorporated herein. It may not be amended or modified by any act or conduct of the parties, or by oral agreement, unless reduced to writing.

All of the rights and obligations of the parties under this Lease shall bind, and the benefit shall inure to, their respective heirs, legal representatives, successors and assigns.

IN WITNESS WHEREOF, this Lease has been executed the day, month and year first above written.

LESSOR:
Sinclair Oil Corporation,
A Wyoming corporation dba
Sun Valley Company

By: Rosa Breazeale
Its: Dir. of Recreation

LESSEE:
City of Ketchum,
An Idaho Municipal Corporation

By: _____
Its: Mayor

Attest:

Sandra E. Cady
Sandra E. Cady, City Clerk/Treasurer

Reviewed and approved exclusively
for the City of Ketchum as to form
and content:

Benjamin W. Worst, City Attorney

EXHIBIT A

DESCRIPTION OF PREMISES

- Pastures located on the west side of Sun Valley Road commencing at the red barn landmark and ending at Dollar Road.

- River Run upper parking lot only, excluding VIP and Lower River Run parking lots.