

## MASTER VEHICLE LEASE AGREEMENT

This LEASE AGREEMENT ("Agreement") is entered into this \_\_\_\_ day of \_\_\_\_\_, 2011 by and between POLK COUNTY ("Lessor") and CITY OF FORT MEADE ("Lessee"). For and in consideration of the mutual covenants and conditions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee hereby enter into this Vehicle Lease Agreement on the following terms.

1. Leased Vehicles: Lessor agrees to lease to Lessee and Lessee hereby leases from Lessor the vehicles (the "Leased Vehicles") described in Schedule "A," attached hereto and made a part hereof, and shall be amended from time to time as noted in Section 3.

2. Lease Term: The term of this Agreement shall commence on the later of the dates on which executed by the parties below, which shall be considered the effective date of this Agreement, and shall continue unabated provided Lessee is not in default of any provision of this Agreement and Lessor has not exercised its rights of termination hereunder, both parties shall have the option to renegotiate this Agreement at any time by providing a written notice of intent to the other party requesting same. The specific lease term of individual vehicles will be specified on the Schedule "A". At the conclusion of the lease term, Lessee may, at their option, either return the vehicle to the County for disposal or purchase the leased vehicle for the residual value listed on the Schedule "A". If the vehicle is returned to County, the County may dispose of the vehicle through public auction. If the proceeds from the sale are less than the residual value shown on the Schedule "A", the difference will be the responsibility of the Lessee. If the sale proceeds exceed the aforementioned residual value the excess will be split between the lessee and the County in equal portions.

3. Lease Payments: Lessee shall pay to Lessor as rent the sums outlined in the attached Schedule "A" detailing the vehicles, lease terms, and annual payments specified therein. The Schedule "A" will be prepared, revised and updated as vehicles are secured, added and deleted from this Agreement.

4. Operations: In the operation of the Leased Vehicles, Lessee agrees:

- 4.1 To use the Leased Vehicles solely for the conduct of official municipal business.
- 4.2 To cause each Leased Vehicle to be operated only by qualified, competent, and licensed municipal employees.
- 4.3 To comply with all applicable motor vehicle laws and regulations of the State of Florida and federal government if applicable.

- 4.4 Not to loan, sell, sublet, assign or mortgage the Leased Vehicles, or lend or permit them to be subject to any legal process without the Lessor's prior written consent.
- 4.5 To protect the Leased Vehicles from theft and other hazards while under the Lessee's control.
- 4.6 To verbally notify the Lessor immediately of any theft, fire, improper performance, damage, accidents or collision in which any Leased Vehicle has been involved; to supply a copy of any report required to be filed with any administrative body or governmental unit, and to supply a written report within seven (7) days of any theft, fire, accident or collision involving any Leased Vehicle. In the event of failure to so notify Lessor, Lessee will be responsible for any loss to Lessor as a result of such failure. Lessee agrees to cooperate fully with the Lessor in any reasonable way to prevent loss; to aid in every reasonable way in the defense of suits or other proceedings which may be brought as a result of the operation of the Leased Vehicle; to notify the Lessor promptly of any papers, notices or documents served upon the Lessee, its agents, or employees, arising out of the operation of the Leased Vehicle. However, it is understood and agreed that Lessee shall file all claims directly with its insurance company(ies) in accordance with the terms of the respective policy(ies), without the requirement of prior notification to or approval by Lessor.
- 4.7 Lessee shall not commence an action in Court for recovery of damages to the Leased Vehicles or Equipment without written consent of the Lessor or Lessor's designated representative. Lessee shall take no steps which would affect the Lessor's claim for damages.

5. No Warranties: Exclusive of factory (Original Equipment Warranties) which shall routinely be in effect, Lessor makes no representations or warranties concerning the condition of the Leased Vehicles or their fitness for any particular purpose. Lessee accepts the Leased Vehicles in "as is" condition subject to reasonable inspection by the Lessee upon Delivery of each vehicle.

6. Maintenance: Lessee shall be responsible for all required maintenance on the Leased Vehicles. If Lessee chooses to have Lessor maintain the Leased Vehicles, then such maintenance shall be in accordance with the Memorandum of Understanding ("MOU") executed by the Polk County Board of County Commissioners on October 20, 2010. At the end of this Agreement, or a particular lease term, as applicable, Lessee shall return the Leased Vehicles to Lessor in the same condition in which accepted at the commencement of this Agreement, ordinary wear and tear excepted.

7. Tags; Registration; Taxes: Lessee shall be responsible for the payment of all required tag and registration fees and any applicable taxes during the term of this Agreement.

Lessor shall make available any information or correspondence relating to the fees and taxes referenced in this Section, and otherwise agrees to make reasonable efforts to assist the Lessee in its performance of the obligations in this Section.

8. Inventory: Lessee agrees to make the vehicles available to accommodate Lessor's annual fixed asset inventory verification process. Lessee will be notified, in advance, to assure minimal disruption of Lessee's operation.

9. Insurance: Lessee agrees to maintain insurance that complies with the following terms:

9.1 At all times during the term of this Agreement, Lessee shall maintain, at a minimum, the levels of insurance coverage that are set forth in Exhibit B, attached hereto and made a part hereof.

9.2 Lessee's Automobile Liability policy shall comply with the minimum levels of insurance coverage described in section 324.021(9)(b)(1), Florida Statutes.

9.3 Upon execution of the Agreement and annually thereafter Lessee shall provide to the Lessor original Certificates of Insurance satisfactory to the Lessor to evidence that Lessee possesses the required insurance coverage. The Lessor shall be named as an additional insured on General Liability and Automobile Liability policies, and the General Liability policy shall contain a waiver of subrogation in favor of the Lessor. The General Liability Policy shall (by endorsement if necessary) provide contractual liability coverage for the Lessee indemnity as noted below in 10.

9.4 Lessee shall provide to Lessor an original Certificate of Insurance to evidence such coverage prior to the effective date of this Agreement. Such certificates of insurance shall provide that there shall be no termination, non-renewal, modification or expiration of such coverage except with forty-five (45) calendar days prior written notice to the Lessor.

9.5 A copy of the policy and endorsements and all notice of proposed cancellation of coverage shall be sent to Lessor at the following addresses:

Director of Risk Management  
Drawer AS06, P. O. Box 9005  
Bartow, Florida 33831-9005

Clerk of the Board  
P. O. Box 9000  
Bartow, Florida 33831-9000

Director of Fleet Management  
Drawer AS03, P. O. Box 9005  
Bartow, FL 33831-9005

- 9.6 In the event of any failure by the Lessee to comply with these requirements, the Lessor may, at its option, on notice to the Lessee suspend the performance of this Agreement until there is full compliance. Alternatively, the Lessor may purchase such insurance at the Lessee's expense, provided that the Lessor shall have no obligation to do so and if the Lessor shall do so, Lessee shall not be relieved of or excused from the obligation to obtain and maintain such insurance amounts and coverage.
- 9.7 Nothing contained herein, however, shall be construed to expand or waive any right of the Lessor or the Lessee under the laws of Florida as to limitations of liability or rights of sovereign immunity.

10. Indemnification: Lessee shall within the confines of Florida Statute Section 768.28 indemnify, defend and hold harmless Lessor, its officers, agents and employees from and against any and all losses, damages, claims, sanctions, causes of action for damages or injury to any person or property, administrative penalties, costs or expenses, including attorney's fees and costs arising out of or resulting from Lessee's negligent or wrongful acts or omissions, or the negligent or wrongful acts or omissions of Lessee's employees, agents, consultants, invitees, or any other persons or entities over whom Lessee exercises or should exercise control, in conjunction with Lessee's use, maintenance, storage and possession of the Leased Vehicles.

11. Assignment; Delegation: Lessee may not assign its rights or delegate its duties under this Agreement without the written consent of Lessor, which consent Lessor may grant or withhold in its sole discretion.

12. Termination: Either party hereto may terminate this Agreement at any time during the term hereof with or without cause by providing thirty (30) days written notice to the other party of such intention. Lessee shall return the Leased Vehicles to Lessor at the end of said 30-day period in the same condition in which accepted at the commencement of this Agreement, ordinary wear and tear excepted. At the conclusion of the lease term, Lessee may, at its option, either return the vehicle to the County for disposal or purchase the leased vehicle for the residual value listed on the Schedule "A". If the vehicle is returned to County, the County may dispose of the vehicle through public auction. If the proceeds from the sale are less than the residual value shown on the Schedule "A", the difference will be the responsibility of the Lessee. If the sale proceeds exceed the aforementioned residual value the excess will be split between the lessee and the County in equal portions.

Vehicle Lease Agreement

Page 5

13. Notice: All notices required hereunder shall be provided to the parties by hand delivery or certified mail, return receipt requested, at the following addresses:

Lessor:

Polk County  
330 W. Church Street  
Bartow, Florida 33830  
Attn. \_\_\_\_\_

Lessee:

City of Fort Meade  
\_\_\_\_\_  
\_\_\_\_\_  
Attn. \_\_\_\_\_

Notice shall be deemed given when hand-delivered to the address specified above or on the date indicated on the signed return receipt.

14. Entire Agreement: This Agreement represents the entire understanding and agreement between the parties and supersedes any prior understandings or agreements except for periodic vehicle additions or deletions on the Schedule "A".

15. Amendments: This Agreement shall not be modified or amended except by a subsequent written agreement executed by both parties hereto except for periodic vehicle additions or deletions on the Schedule "A".

16. Title: This Agreement is one of leasing only, and the Lessee shall not have or acquire any right, title, or interest in or to the Leased Vehicles, except the right to use or operate them as provided herein.

17. Audits and Inspections: Lessee shall permit the Lessor's designated representatives to audit all books, records and files relative to the operation and maintenance of the Leased Vehicles, and to assist in providing said documents and information and to permit inspection of the Leased Vehicles by the Lessor's representatives, at mutually agreed times.

18. Governing Law: This Agreement shall be interpreted under and governed by the law of the State of Florida, venue for any action in Polk County, Florida.

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IN WITNESS WHEREOF, the parties hereto have caused this Vehicle Agreement to be executed by their duly authorized officers on the dates appearing below.

**POLK COUNTY**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Edwin V. Smith, Chairman  
Polk County Board of County Commissioners

Attest: Richard M. Weiss  
Clerk of Court

By: \_\_\_\_\_ Date: \_\_\_\_\_

**CITY OF FORT MEADE**

By: James M. Wall Date: \_\_\_\_\_  
Title: MAYOR

Attest: Daphnis Kirk  
Title

By: Deputy City Clerk Date: 3/8/11