

**CITY OF LA CRESCENT
2017 MOTOR VEHICLE LEASE**

WHEREAS, the City of La Crescent, "Lessor" owns a bus designed for public transportation,

WHEREAS, the La Crosse Municipal Transit Utility, "Lessee" wishes to lease said bus in order to provide service under the contract known as Agreement between the City of La Crosse Municipal Transit Utility and the City of La Crescent, Minnesota pertaining to public transportation by bus.

NOW, THEREFORE, it is agreed by and between Lessor and Lessee, as follows:

The Lessor shall and does hereby lease the following vehicle to the Lessee for a period commencing from January 1, 2017 through December 31, 2017:

<u>Year:</u>	<u>Make:</u>	<u>Model:</u>	<u>VIN Number:</u>
2015	Arboc	Spirit of Mobility	1GB6G5BL2F1131397

per the following terms and conditions:

1. Lessee shall lease said vehicle and operate the same in accordance with applicable state and local laws and pursuant to the operating requirements set forth above.
2. Title to the vehicle shall be in the name of the City of La Crescent.
3. The vehicle shall primarily be used by the Lessee for the purpose of providing transportation under the Agreement referred to above.
4. The Lessee shall immediately notify the Lessor if the vehicle is no longer used for the purpose described herein. The Lessee shall also keep satisfactory records with regard to use of the equipment and submit to the Lessor upon request such information as may be required by the Lessor to assure compliance.
5.
 - a. The Lessor will be responsible for all major mechanical repairs beyond the scope of the warranty unless such repairs are caused by the acts or omissions of Lessee. Repairs and vehicle delivery shall be at the La Crosse Municipal Service Center located at 2000 Marco Drive, La Crosse.
 - b. The Lessee shall perform preventative maintenance on the vehicle at a level no less than the manufacturer's recommended specifications. The vehicle shall be maintained in good operating order.

6. The Lessee shall make the vehicle available to the Minnesota Department of Transportation and the Lessor upon demand for the purpose of annual verification or other inspections deemed necessary by the Department or Lessor.
7. A Certificate of Insurance shall be filed by Lessee with the City of La Crescent, prior to any operation of said vehicle:
 - a. The vehicle shall be insured by Lessee for damage or loss from fire, theft, collision, and shall contain a comprehensive damage provision. For purposes of this section it is agreed that the current value of the vehicle is \$170,000.
 - b. The vehicle shall be insured by Lessee for liability for personal injury and property damage for the Minnesota statutory (ss466.04) requirements of \$500,000 per claim and \$1,500,000 per occurrence in 2015.
 - c. The leased vehicle shall be recorded as an insured vehicle on the Lessee's Liability Policy and shall contain a provision providing for loss to be payable to the Lessor as its interest may appear.
 - d. Lessee shall hold Lessor harmless from any and all loss, costs, or damage that may arise out of or in connection with the use and operation of the aforesaid vehicle by Lessee, its agents or employees, or any other persons operating said vehicle.
8. Lessor reserves the right to require the Lessee to restore the vehicle or pay for damage to the vehicle as a result of abuse or misuse. All reasonable efforts shall be taken by the Lessee to insure against theft and vandalism. Lessee agrees to return all leased equipment in the condition in which it was received, except for reasonable wear and tear.
9. Lessee shall pay Lessor, as lease payment for said vehicle, the sum of One Dollar (\$1.00).
10. In the event that the lease shall be in default of any of the terms or conditions herein agreed to be kept and performed by Lessee, the Lessor may terminate this lease upon five days notice, and possession of aforesaid vehicle shall immediately be returned to Lessor.
11. Any revisions to this contract must be agreed to by both parties, as evidenced by an addendum signed by the authorized representative of each party. This contract, or any part thereof, may be renegotiated in circumstances where changes are required by Federal law or regulations, State law or regulations,

court orders or actions or when both parties agree that a new contract would better meet their particular needs than the existing terms and conditions of this contract. This contract, or any part thereof, shall not be construed to supersede the lawful power or duties of either party.

12. The expense incurred with connection to the lease of this vehicle, except as otherwise provided, including but not limited to, insurance, oil, minor maintenance, etc., shall be the sole responsibility of the Lessee.
13. Lessor shall be responsible for acquiring all necessary vehicle licenses and registration. Lessee shall insure that no one drives the vehicle unless duly licensed under the laws of the State of Wisconsin. Lessee shall inspect the licenses of the person who is to operate the vehicle to insure that said person is properly licensed.
14. The Lessee may not make any vehicle or equipment modifications without the written consent of the Lessor. Equipment shall be attached or deleted as not to cause vehicle damage.
15. Only approved exterior or interior identification may be applied to the leased vehicle.
16. In the event that the leased vehicle is inoperable, Lessee is responsible for providing the service that would have been provided with the leased vehicle.
17. Lessee agrees to comply with all laws, ordinances, rules and regulations which may pertain or apply to the use and operation of aforesaid vehicle.

Dated this ____ day of January, 2016.

CITY OF LA CRESCENT, LESSOR

Mikel Poellinger, Mayor

Bill Waller, City Administrator

CITY OF LA CROSSE, LESSEE

Tim Kabat, Mayor

Keith Lee, Transit Manager