

**MOTOR VEHICLE LEASE
AGREEMENT**

BETWEEN

TOWN OF SPRINGERVILLE

AND

TOWN OF EAGAR

This agreement is made this 17th day of MAY 2023

BETWEEN

TOWN OF SPRINGERVILLE [Hereinafter referred to as the "Lessor" which article shall wherever the context so admits include its assigns and successor in title];

AND

TOWN OF EAGAR [hereinafter referred to as the "Lessee" which article shall wherever the context so admits include its assigns and successor in title];

RECITALS;

1. Whereas the Lessor is the owner of a KME- FIRETRUCK, VIN# 1K9AF428XDN058422
2. Whereas the Lessor is desirous of leasing and the Lessee has agreed to lease the aforesaid motor vehicle solely for those joint purposes as outlined in the Shared Services IGA, dated January 24, 2023

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. RENTAL

The motor vehicle is hereby leased at a yearly rate of US \$1.00 payable yearly on the 1st day of January each year.

2. DURATION

The agreement shall endure for a period of one year commencing on the date of the execution of this agreement and shall then expire unless renewed by the mutual agreement of the Parties.

3. PURPOSE

The leased vehicle shall only be used for those joint purposes as outlined in the Shared Services IGA, executed January 24, 2023.

4. THE LESSORS OBLIGATIONS

The Lessor hereby agrees:

- 4.1 To grant the Lessee exclusive use and possession of the motor vehicle during the duration of this agreement, save as is provided for by the agreement;
- 4.2 To grant the Lessee quiet possession of the motor vehicle;

- 4.3 To be responsible for the shared costs related to normal service, repair, fair wear and tear of the motor vehicle allocated pursuant to the Cost Sharing Allocation Percentage (CSAP) as described in section 9 of the Shared Services IGA, dated January 24, 2023;
- 3.4 To be responsible for shared costs relating to fuel, tire puncture and oil topping up between services as well as any costs of parking fines and towing expenses for illegal parking pursuant to the Cost Sharing Allocation Percentage (CSAP) as described in section 9 of the Shared Services IGA, dated January 24, 2023;

5. THE LESSEE'S OBLIGATIONS

The Lessee hereby agrees:

- 5.1 To keep the motor vehicle comprehensively insured with a reputable insurance company throughout the duration of this agreement;
- 5.2 To ensure that the motor vehicle is used in a skillful and proper manner and only driven by persons that bear a valid driving permit;
- 5.3 To ensure that no alterations are made to the motor vehicle or any component removed unless it is immediately replaced by the same component or by one of the same like, make and model or an improved or advanced version;
- 5.4 To report to the nearest Police and inform the Lessor within 48 (forty-eight) hours of any damage to or loss of the motor vehicle;
- 5.5 To be responsible for shared costs relating to fuel, tire puncture and oil topping up between services as well as any costs of parking fines and towing expenses for illegal parking pursuant to the Cost Sharing Allocation Percentage (CSAP) as described in section 9 of the Shared Services IGA, dated January 24, 2023;
- 5.6 To yield the vehicle to the Lessor in good mechanical condition on the expiration of the contract, save for normal wear and tear of the same;
- 5.7 To be responsible for the shared costs of normal service, repair, fair wear and tear of the motor vehicle pursuant to the Cost Sharing Allocation Percentage (CSAP) as described in section 9 of the Shared Services IGA, dated January 24, 2023.

6. TERMINATION OF THE AGREEMENT

- 6.1 The Lessee shall have the right to terminate this Agreement, upon it giving the Lessor 1 (one) months' notice in writing.
- 6.2 The Lessor shall have the option to terminate this Agreement upon giving

the Lessee 1 (one) months' notice in writing and upon the Lessor refunding any rental fees paid in advance, given the fact that rent is payable 1 year in advance, over and above the notice period.

7. NOTICES

Any notice to the Lessor shall be sufficiently served if sent by registered post to the TOWN OF EAGAR or TOWN OF SPRINGERVILLE or on any known agent authorized by him and notified to the Lessee as authorized to receive notices on his behalf.

8. FORCE MAJEURE

Neither party to this Agreement shall be liable for failure to perform any of its obligations hereunder if prevented from doing so by reason of force majeure.

9. ENTIRE AGREEMENT

This Agreement together with the schedules and annexes hereto constitutes the entire agreement and understanding between the Parties and supersedes all previous agreements, understandings and/or representations between the Parties.

10. WAIVER OF REMEDIES

No forbearance, delay of indulgence by either Party in enforcing the provisions of this Agreement shall prejudice or restrict the rights of either Party nor shall any waiver of its rights operate as a waiver of any subsequent breach and no right, power or remedy herein conferred upon or reserved for the Party is exclusive of any other, power or remedy available to the Party and each such right, power or remedy shall be cumulative.

11. ASSIGNMENT & CHANGE IN OWNERSHIP/MANAGEMENT ,

- a. The Lessor shall not assign or transfer its obligations and or rights under this Agreement to any third party, whether an associated entity or not, whether in whole or in part without the prior written consent of the Lessee.
- b. The Lessor shall immediately notify Lessee of any change of ownership or management of the Lessee's business.

12. HEADINGS

The headings to the clauses of this Agreement are for the ease of reference only and shall not affect the interpretation or construction of the Agreement.

13. GOVERNING LAW

This Agreement shall in all respects be governed and construed in accordance with the Laws of Arizona.

14. RESOLUTION OF DISPUTES

Any dispute arising between the Parties shall be determined by a court of competent jurisdiction in Apache County and may upon agreement between the Parties be submitted for arbitration.

IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be executed by its duly authorized representatives as of the day and year first above written.

SIGNED BY TOWN OF SPRINGERVILLE

Signature: 

This 17th day of MAY

2023

SIGNED for and on behalf of TOWN OF EAGAR

Name: Signature: _____

This _____ Day of _____ 2023