

**WAKE COUNTY, NORTH CAROLINA  
EQUIPMENT LEASE**

This agreement is made between County of Wake, North Carolina (hereinafter, Lessor) and TOWN OF APEX (hereinafter, Lessee)

Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the Equipment as specified herein under the following terms and conditions:

1. **Equipment.** For and in consideration of the covenants and agreements hereinafter contained, Lessor has leased to Lessee the personal property known and described as follows:

**One (1) 2016 Type III Ambulance.  
Identified by**

1) VIN#: 1GB6G5CL9F1172897

(hereinafter, "Equipment") for a term of 5 years, commencing 06-01-2016 and subject to the conditions and agreements hereinafter stipulated.

2. **Lease Amount.** Monthly lease rate is \$2,447.00. Rates are calculated by taking the vehicles acquisition cost less the expected surplus value of the vehicle at the end of its useful lifecycle, and dividing it over the predetermined term.

Lessee shall pay Lessor on the following schedule **per vehicle**.

	<b>Monthly</b>	<b>Quarterly</b>	<b>Annually</b>
<b>Vehicle 1</b>	<b>\$2,447.00</b>	<b>\$7,341.00</b>	<b>\$29,364.00</b>

The quarterly payment is made through the County's Appropriation to THE TOWN APEX by the close of the last business day of March, June, September and December of each year of this lease. No check is exchanged between THE TOWN OF APEX and Wake County.

3. **Location and Operation.** The Equipment shall be used only by the Lessee in a manner and for purposes consistent with the Agreement for Provision of Emergency Services. The Equipment shall be operated in a manner consistent with any and all relevant laws and regulations of the United States, North Carolina and Wake County.
4. **Maintenance of Equipment; Warrantees.** Lessee agrees to maintain the Equipment pursuant to Manufacturer's Duramax Diesel Supplement, and further agrees to provide copies of maintenance records to Lessor by the close of the last business day of March, June, September and December of each year of this Lease. The Equipment shall be warranted in accordance with the manufactures' warrantees, and Lessor will bear no cost for repairs and/or replacements covered by those warrantees. Repair and/or replacement of items not covered by this section shall be the Lessee's responsibility.
5. **Addition of Devices by Lessee.** The addition of any devices or markings to the Equipment other than devices or markings available as "add-on equipment" via North Carolina State Government Purchase Contract will be provided by the Lessee, and will be installed or applied by the **Lessee**, or by a contractor or vendor approved by Lessor.
6. **Excess Wear and Tear; Return at End of Lease.** The Lessee is responsible for all repairs to the Equipment. These repairs may include, but are not limited to:
  - a) Replacement of any tire not part of a matching set of four or any tire which has less than 4/32 inch of remaining tread.
  - b) Repair of all mechanical defects.
  - c) Repair or replacement of all dented, scratched, chipped, rusted, or mismatched body panels, paint, or vehicle identification items; all dented, scratched, rusted, pitted, broken or missing trim and grill work; all scratched, cracked, pitted, or broken glass; all faulty window mechanisms; all broken or burned out lights; all electronic malfunctions; all interior rips, stains, burns, or worn areas; and all damage which

would be covered by collision or comprehensive insurance whether Lessee has filed a claim through the corporation's insurance carrier.

At the end of the term, Lessee shall return the Equipment to Lessor at the place from which Equipment was presented in as good condition as it existed at the commencement of the term, reasonable wear and tear excepted.

7. **Early Termination of Lease.** Voluntary Early Termination: This Lease may be terminated by the Lessee before the end of the term if the Lessee is not in default and gives the Lessor three months written notice. Upon return of vehicle to Lessor, Lessee agrees to the following:
  - a) to pay an early termination fee of \$1000.00
  - b) to pay the difference, if any, between the Adjusted Balance Subject to Lease Charges and the Realized Value of the Vehicle
  - c) to pay all other amounts due under this Lease
8. **Default.** If the Lessee fails to make scheduled payment or fails to meet any other terms of this Lease, the Lessor may treat such failures as breach of this Lease, and the Lessor may declare the Lease voided and take back the vehicle.
9. **Indemnification of Lessor.** Lessee agrees to protect and hold Lessor harmless against any and all losses or damage to Equipment by fire, flood, explosion, tornado, or theft. Lessee hereby assumes all liability to any person arising from the location, condition, or use of Equipment, and shall indemnify Lessor of and from all liability, claim, and demand, including attorney's fees, whatsoever arising from the location, condition, or use of Equipment whether in imperfect or defective Equipment, and from every other liability, claim, and demand, including attorney's fees, whatsoever during the term of this lease or arising while Equipment is in the possession of Lessee.
10. **Lessor responsibilities.** Lessor understands that Lessee is reliant upon the Equipment to meet the terms of the Agreement for Provision of Ambulance Services described in Section 4 of this Lease. To that end, Lessor agrees to furnish suitable substitute Equipment in the event that the Equipment identified in Section 1 of this Lease becomes (or is rendered) unusable, during the term of this Lease, and will expend an amount not less than the insurance proceeds described in Section 10 of

this agreement for replacement of the Equipment in the event that the insurance coverage referred to in section 13 of this lease is invoked.

11. **No Assignment.** Neither this lease nor any right or interest there under shall be assigned by Lessee in any respect whatsoever.

12. **Exclusion of oral statements.** This instrument contains the entire agreement of the parties. No oral or other statements, proposals, or agreements shall be binding on either of the parties.

13. **INSURANCE**

The Lessee shall obtain, at his sole expense, all insurance required under this Article and the Lessee shall not use equipment until such insurance is in force. All required insurance shall be procured from insurance companies licensed to do business in North Carolina with a Best's Insurance Guide Rating of A- or better. Coverage shall be maintained continuously during the term of this lease agreement.

Worker's Compensation Insurance - The Lessee shall take out and maintain during the term of the lease, workers' compensation insurance for all of his employees employed to provide services on this lease. The North Carolina Workers' Compensation Act requires any employer with three or more employees to provide this coverage. Coverage shall be provided with the following limits:

Coverage A - Statutory - State of North Carolina

Coverage B - Employers Liability - \$500,000 Each Accident

\$500,000 Disease - Policy Limits

\$500,000 Disease - Each Employee

The current Experience Modification Factor must be indicated on the Certificate of Insurance.

Comprehensive General Liability and Property Damage Insurance. The limits of such insurance shall be as follows:

Combined Single Limits of no less than:

\$2,000,000 general aggregate

\$1,000,000 products completed operations  
aggregate

\$1,000,000 each occurrence

The Wake County shall be named as additional insured.

Comprehensive Automobile Liability Insurance - The Lessee shall procure and maintain during the term of the lease commercial automobile liability insurance for not less than the following limits, or greater if required by law.

Combined Single Limit of no less than: \$1,000,000

This shall cover all vehicles including owned, non-owned and hired vehicles. Wake County shall be named as additional insured.

Excess Liability Insurance - In addition to the requirements of the above paragraphs, the Lessee shall be responsible for procuring and maintaining during the term of the lease, an umbrella or excess liability policy in the following amount:

\$5,000,000 per occurrence over primary insurance  
\$10,000,000 aggregate

Wake County shall be named as additional insured.

Each certificate of insurance and policy required hereunder, except the worker's compensation policy, shall bear the provision that "The policy cannot be canceled or reduced in amount and that coverage cannot be eliminated in less than thirty (30) days after mailing written notice to Wake County such alteration, cancellation, or elimination, the written notice to be sent by Certified Mail." A provision regarding cancellations, reductions in amount or elimination of coverage to the effect that the insurer's failure to mail notice shall impose no liability upon the insurer shall not be acceptable. If an insurance policy is canceled, it shall be the Lessee's obligation to procure a replacement policy in sufficient time so that there is no lapse in coverage.

14. **Inspection by Lessor.** For the purpose of examining and inspecting the condition of the Equipment during the term of this lease, Lessor may from time to time require the inspection of the Equipment, either at Lessee's facilities or at a facility selected by the Lessor.

**WAKE COUNTY, NORTH CAROLINA**

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

David L. Goodwin, Director

Wake County General Services Administration

**THE TOWN OF APEX**

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

Title: \_\_\_\_\_

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

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FINANCE DIRECTOR