

**LEASE AGREEMENT**

**THIS LEASE AGREEMENT** is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2018, by and between the **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government of the Commonwealth of Kentucky pursuant to KRS Chapter 67A (hereinafter "Government") on behalf of its Department of Public Safety, 200 East Main Street, Lexington, Kentucky and **LEXINGTON-FAYETTE ANIMAL CARE AND CONTROL, LLC**, a Kentucky limited liability company (hereinafter "Organization"), with offices located at 1600 Old Frankfort Pike, Lexington, Kentucky;

**WITNESSETH:**

**WHEREAS**, Government and Organization have entered into a Purchase of Service Agreement dated \_\_\_\_\_, 2018, whereby Organization provides animal control services for Government; and

**WHEREAS**, the Purchase of Service Agreement between Government and Organization obligates Government to lease up to fourteen (14) vehicles to Organization to be used for purposes of animal control; and

**WHEREAS**, one (1) of these vehicles is required for use by the Organization's animal cruelty investigator to perform a portion of the animal control services required by the Purchase of Service Agreement; and

**WHEREAS**, one (1) of these vehicles is required for use by the Organization's animal licensing employee to perform a portion of the animal control services required by the Purchase of Service Agreement;

**NOW, THEREFORE**, for and in consideration of the mutual promises and covenants herein expressed and further contained in the Purchase of Service Agreement,

Government and Organization agree as follows:

1. Lease of Equipment:

Government hereby demises, leases and lets to Organization, and Organization rents, leases and hires from Government up to fourteen (14) vehicles more particularly described in Exhibit "A", attached hereto and incorporated herein by reference. The use of all vehicles provided to Organization by Government shall continue to be governed by the terms of this Lease Agreement.

2. Lease Term. This Lease shall commence on the date hereof and shall continue until the termination of the Purchase of Service Agreement between Government and Organization.

3. Rental. Government and Organization understand and intend that the obligation of Organization to provide animal control services for Government is and shall be sufficient consideration for the rent of the vehicles.

4. Title to the Equipment. Title to the vehicles, including any and all repairs and replacements thereof, but excluding any additions made thereto by Organization, shall at all times during the Lease Term be in Government.

5. Maintenance of Equipment. Organization agrees that at all times during the Lease Term it shall maintain, preserve and keep the vehicles in good repair, working order, and condition and that Organization shall from time to time make or cause to be made all necessary and proper repairs, replacements, and renewals.

Organization shall obtain regular and routine vehicle maintenance and repair services from Government's Division of Facilities and Fleet Management. At Organization's request, Government will provide such services for Organization, provided, however, that

the cost to Government shall not exceed the sum of Thirty Eight Dollars (\$35,000.00) and any cost in excess of this sum shall be borne by Organization. Government shall submit a statement to Organization for the actual parts, supplies and costs incurred by Government in providing these services to Organization, in excess of the not-to-exceed amount, and Organization will reimburse Government for such costs within thirty (30) days of receipt of the statement. Upon request, Government will provide Organization with an estimate of anticipated costs of repair and will inform Organization of the then current total cost incurred by Government in providing vehicle maintenance and repair services for Organization. Organization shall use its best efforts to fully comply with all applicable Division of Facilities and Fleet Management' policies and procedures.

6. Taxes and Charges. In the event that the use, possession, or acquisition of the vehicles is found to be subject to taxation in any form, Organization will pay during the Lease Term all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the vehicles, and any vehicle or other property acquired in substitution for or as a replacement of the vehicles, as well as all other charges incurred in the operation, maintenance, use, and upkeep of the vehicles.

7. Insurance.

Organization shall, at its own expense, cause casualty and property damage insurance coverage to be carried and maintained with respect to the vehicles in an amount not less than \$500,000.00, which coverage shall be sufficient to protect the Full Insurable Value of the vehicles and to protect Government and Organization from liability in all events. All insurance proceeds from casualty losses shall be payable to Government

and Organization as their interest in vehicles, and additions thereto, may appear.

8. Disclaimer of Warranties. GOVERNMENT MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, CONDITION, MERCHANTABILITY, OR FITNESS FOR PARTICULAR PURPOSE OR FITNESS FOR USE OF THE VEHICLES, OR ANY WARRANTY WITH RESPECT THERETO. In no event shall Government be liable for any incidental, indirect, special, or consequential damage in connection with, or arising out of, this Lease Agreement.

9 Use of Equipment. Organization will not install, use, operate, or maintain the vehicles improperly, carelessly, in violation of any applicable law, or in a manner contrary to that contemplated by the Purchase of Service Agreement between Government and Organization. Organization shall obtain and maintain all permits and licenses, if any, necessary for use and operation of the vehicles. In addition, Organization shall comply in all respects with all laws of the jurisdiction in which it operates any of the vehicles.

10. Assignment of Lease. This Lease and the interest of the Organization in the vehicles may not be assigned or encumbered in whole or part by Organization for any reason without the prior written consent of Government.

11. Indemnification. Organization shall indemnify, protect and hold harmless Government from and against any and all liabilities, obligations, losses, claims, and damages whatsoever, regardless of the cause thereof, and expenses in connection therewith, arising out of, or as the result of entering into this Lease Agreement and the use of any of the vehicles.

12. Default. Organization's failure to comply with any of the terms of the

Purchase of Service Agreement or this Lease Agreement shall constitute an event of default. Upon the occurrence of any event of default, Government shall be entitled immediately re-take possession of the vehicles and to take any other action which may appear necessary or desirable to enforce its rights as owner of the vehicles.

13. Prior Agreements. All prior lease agreements between the parties are terminated by mutual agreement.

14. Notice. All notices and other communications given or required to be given under this Agreement shall be in writing and shall be deemed given at the time it is deposited in the United States mail, postage pre-paid, certified or registered mail, return receipt requested, addressed to the party to whom it is to be given as follows:

Organization: Lexington-Fayette Animal Care and Control, LLC  
1600 Old Frankfort Pike  
Lexington, Kentucky 40504  
Attn: President

Government: Lexington-Fayette Urban County Government  
Department of Public Safety  
200 East Main Street  
Lexington, Kentucky 40507  
Attn: Commissioner

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the date first herein written.

LEXINGTON-FAYETTE URBAN  
COUNTY GOVERNMENT

BY: \_\_\_\_\_  
JIM GRAY, MAYOR

LEXINGTON-FAYETTE ANIMAL CARE  
AND CONTROL, LLC

BY: LEXINGTON HUMANE SOCIETY,  
ITS MEMBER

BY:   
SUSAN M. MALCOMB, PRESIDENT

BY:   
ANNE GORHAM, CHAIRPERSON  
BOARD OF DIRECTORS

Lexington-Fayette Animal Care & Control

Exhibit "A"

7/1/18

Received	UNIT #	VIN #	PLATE	YEAR	MAKE	MODEL	MILEAGE
							<b>7-1-2018</b>
5/7/2009	9038	1FTYR14D19PA31564	N8285	2009	FORD	RANGER	120,437
8/11/2009	9039	1F2YR14DX9PA31563	N8284	2009	FORD	RANGER	118,478
8/11/2009	9040	1FTYR14D39PA31565	N8102	2009	FORD	RANGER	112,992
9/9/2009	7393	2FTZA54267BA28018	N1189	2007	FORD	FREESTAR	138,056
6/1/2013	9041	1FT7X2A68DEB20162	P9085	2013	FORD	F-250	85,225
11/7/2013	9043	NMOLS7AN0DT165946	P9718	2013	FORD	TRANSIT	54,218
5/12/2015	6132	2FAFP71W32X143049	G2840	2002	FORD	CRUISER	106,067
3/30/2016	9174	1FMCU9G94GUC82183	C6388	2016	FORD	ESCAPE	22,674
5/7/2016	9173	1FT7X2B67GED29203	C6388	2016	FORD	F-250	41,342
8/17/2016	9172	1FM5K8AR8HGA24525	C7752	2017	FORD	EXPLORER	14,738
2/15/2017	7504	1GNGK46K69R163079	N7726	2009	CHEVY	SUBURBAN	186,355
1/27/2018	7164	3FTSF31S03MB26255	M0073	2003	FORD	F350	99,482
3/13/2018	7412	3GNGK26K47G220767	N1319	2007	CHEVY	SUBURBAN	60,000
5/24/2018	7395	2FTZA54267BA28021	N1525	2007	FORD	FREESTAR	57,222