

AGREEMENT NO. 511033

COUNTY OF MUSKOGEE

LEASE WITH PURCHASE OPTION FOR ROAD MACHINERY OR EQUIPMENT

This agreement is made on this _____ day of _____, 20_____, by and between the Board of County Commissioners of Muskogee County, designated throughout this agreement as the Lessee, and the State of Oklahoma through the Oklahoma Department of Transportation, designated throughout this agreement as the Lessor.

I. Road Machinery or Equipment

Subject to the terms and conditions set forth in this agreement, the Lessor leases to the Lessee the following described machinery or equipment, all of which shall be designated throughout this instrument as the "Equipment":

<u>MAKE</u>	<u>MODEL</u>	<u>DESCRIPTION</u>	<u>QUANTITY</u>	<u>UNIT PRICE</u>	<u>LEASE PRICE</u>
Mack	2021	Single Axle 10' Dump Truck	1	\$ 90,802.00	\$ 90,802.00
	MD	Serial No.: 1M2MDBAA8NS002501			3% \$ 2,724.06
		ODOT No.: 99-2706			\$ 93,526.06

II. Payment of Lease Installments

In consideration of the agreement by the Lessor to lease the Equipment, the Lessee shall pay the sum of **\$1,113.41 per month** for **84 months**. No payment shall be made by the Lessee under the terms of this agreement unless the Equipment shall have been received by the Lessee and is at all times, except when made necessary by an emergency, retained in the county for county use.

III. Lease Term

This lease shall commence on the date the Lessor signs the agreement with the first payment due on the first business day of the next month; however, if the commencement date is after the fifteenth day of the month the first payment shall not be due until the first working day of the month following that. This lease shall automatically terminate, unless renewed in accordance with the terms set forth below, at the end of the current fiscal year.

IV. Option to Renew

The Lessee is hereby granted **7** successive options to renew this lease for additional terms not to exceed one fiscal year each, upon the same terms and conditions, provided that such options may be exercised, as a matter of right, solely and exclusively by the Lessee. The exercise of any such option shall be accomplished by the Lessee signing and returning the Lease Renewal Resolution, furnished by the Lessor, at the beginning of each Fiscal Year.

V. Title to Equipment

The Equipment is and shall at all times during the term of this lease and any renewal term remain the sole property of the Lessor and the Lessee shall not have nor acquire any right, title or interest in the Equipment except by exercise of the Lessee's option to purchase as set forth below.

VI. Option to Purchase

At any time after the Equipment has been leased for one fiscal year, the Lessee, at its sole and exclusive option, may purchase the Equipment during any renewal term, for an amount not less than the original total cost of the purchase plus any expense incurred by the Lessor in reconditioning the Equipment, less rentals actually paid for the use of the Equipment. The Lessee will give written notice of the election to exercise the option to purchase to the Lessor. Full payment shall be due and payable within thirty (30) days thereafter. Title to said Equipment will be transferred to the Lessee upon receipt of payment.

VII. Delivery and Return of Equipment

The Equipment shall be delivered to the location designated by the Lessee. The Lessor shall bear all costs of shipping and delivering the Equipment to the Lessee. Upon termination of this lease for any reason, unless the Lessee shall have exercised an option to purchase the Equipment in accordance with the terms and conditions set forth above, the Equipment shall be returned to the Lessor at the expense of the Lessor.

VIII. Repairs and Maintenance

The Lessee shall maintain the Equipment in good working order and shall make all necessary adjustments and repairs, all at the expense of the Lessee. At the expiration of the term of lease, unless the Equipment is to be leased again by or sold to the Lessee as provided herein, it shall be returned to the Lessor in as good a condition as when received, reasonable wear and tear excepted. If, upon its return, the road machinery or Equipment is not in such good condition, the Lessor may repair it and the Lessee shall pay the cost of any such repairs at the Lessor's regular shop rates.

IX. Insurance

The Lessee shall obtain and maintain all-risk physical damage insurance covering the Equipment from the time the Equipment is delivered until this lease is terminated. This insurance shall be in a form acceptable to the Lessor and shall hold the Lessor and its agents harmless from all damages to property and injuries and death to persons arising out of the use, possession or transportation of said road machinery or Equipment. The Lessee shall provide the Lessor with written notice at least forty-five (45) days prior to any change in the insurance required under the terms of this paragraph.

X. Default

If the Lessee shall fail to make any payment when due, shall attempt to sell or encumber the Equipment or shall fail to comply with any other provision of this lease agreement, the lease equipment shall thereupon terminate. Lessee agrees to surrender the Equipment to Lessor upon demand and Lessor may enter upon the building or place where the Equipment is located and take possession thereof without notice to the Lessee.

XI. Entire Agreement of the Parties and Severability

Except as otherwise provided in the above terms and conditions, this lease constitutes the entire agreement of the parties. This agreement may not be modified or terminated except as provided in the above terms and conditions or by written agreement of the Lessor and the Lessee. If any provisions of this agreement shall be determined to be invalid, it shall be considered as deleted from this agreement and no remaining provision of the agreement shall be deemed invalid.

XII. Choice of Law

This lease shall be governed in all respects by the laws of the State of Oklahoma. In the event any litigation shall occur concerning the terms and conditions of this lease or the right and duties of the parties, the parties agree that any such suit shall be maintained in the District Court in and for Oklahoma County, State of Oklahoma.

For the Lessee:

BOARD OF COUNTY COMMISSIONERS

Muskogee County, Oklahoma:

[Signature]
Commissioner District # 1 Date

[Signature]
Commissioner District # 2 Date

[Signature]
Commissioner District # 3 Date

ATTEST:

[Signature]
County Clerk (Seal)

Approved as to Form:

[Signature]
COUNTY - District Attorney Date



OKLAHOMA DEPARTMENT OF TRANSPORTATION
Lessor:

General Counsel Date

Deputy Director Date