Master Lease Agreement

Golf Course Mowing Equipment

This Agreement is entered into by and between **the City of Lincoln, Nebraska,** hereinafter referred to as "City", and **Nebraska National Bank**, 3110 Second Ave., Kearney, NE 68847 hereinafter collectively referred to as "Lessor".

1. PROVISION OF EQUIPMENT.

1.1 Lessor shall cause to be provided to the City Parks and Recreation Golf Division mowing equipment in accordance with Specification No. 02-059 and Lessor's proposal which are attached hereto and made a part hereof.

1.2 In the event of conflict between the provisions of this agreement, the specifications, and the Lessor's proposal, the order of precedence shall be as follows: this agreement (including attachments and exhibits), the specifications, Lessor's proposal.

2. DELIVERY.

2.1 Lessor shall facilitate the delivery of the equipment at City of Lincoln, Nebraska's designated locations upon request and mutual agreement, throughout the five (5) year term of the lease.

2.2 All delivery shall be at no cost to the City.

2.3 The Superintendent of Administration of Lincoln Parks and Recreation Department shall be responsible for authorizing in writing all requested deliveries.

3. TERM.

3.1 The term of this agreement shall commence on the date of execution by the City (on or about May 1, 2002), and continue for a period of **60 months**; provided, however, the City may terminate this agreement upon providing to the Lessor written notification of termination specifying that funds will not be appropriated for continued lease of the equipment.

3.1.1 City agrees that its administration will, on an annual basis throughout the term of this lease, propose in its proposed budget the funding of this lease.

3.2 Such termination notification must be sent to Lessor at least 30 days prior to the proposed date of termination.

3.3 Upon expiration of the term of this agreement Lessor shall remove the equipment from City property, along with any of Lessor's supplies, at no cost to the City.

4. COMPENSATION.

4.1 The City shall make five (5) annual payments to the Lessor Nebraska National Bank in the amount of **$129,445.24** according to the schedule set forth in Lessor's proposal, attached.

5. TAXES.

5.1 All taxes, including sales, income, use and personal property taxes associated with this agreement, shall be paid by Lessor if any and shall not be the responsibility of the City.

6. TITLE TO EQUIPMENT.

6.1 Title to the equipment shall remain with Lessor at all times and the City shall have no right, title, or interest therein except as expressly set forth in this agreement.

6.2 The City reserves the right to buy said equipment for $1.00 at the expiration of Lease.

7. CITY'S RESPONSIBILITIES. The City agrees to:

7.1 Provide a delivery site at each of the five designated locations;

7.2 Upon expiration or termination of this agreement, permit Lessor to remove the equipment if not purchased by the City.

7.3 Provide insurance coverage, either by virtue of the City being self-insured or by obtaining an insurance policy, for physical damage to the equipment caused by or as a result of any person other than Lessor, Lessor's assigns, agents, or employees.

8. ADD, DELETE AND RELOCATION OF EQUIPMENT.

8.1 The Superintendent of Administration of Lincoln Parks and Recreation shall coordinate with Lessor to determine the quantity of vehicles to be delivered and maintained at each site, their placement and movement, relocation, addition and deletion of equipment and supplies.

9. DEFAULT.

9.1 If the City fails to pay any invoice within 60 days after receipt thereof or if the City fails to perform any of its other obligations under this agreement, or if the City attempts to sell, transfer or encumber the equipment provided hereunder, Lessor, in addition to any other remedies that may be legally available to it, at its option, may terminate this agreement and immediately repossess all items of equipment.

9.2 On termination for City's default, the City shall permit Lessor's representative to enter its premises to remove the equipment and shall pay all outstanding invoices for services actually rendered on or before the date of notice of termination. Lessee agrees to surrender the equipment promptly upon termination of this agreement without protest or legal order being obtained by Lessor.

9.3 The City may, at its option, terminate this agreement upon five days written notice to the Lessor, in which event Lessor shall have thirty days remove its equipment from the premises of the City.

10. INDEMNIFICATION.

10.1 Lessor shall indemnify and hold harmless the City, its officers, agents, and employees from and against all claims, damages, losses, and expenses, including but not limited to, attorney fees arising out of or resulting from performance of this agreement, the results and any claims for damages whatsoever, including, without limitation, bodily injury, death, or any injury or destruction of tangible or intangible property including any loss of use resulting therefrom that is caused in whole or in part by Lessor or anyone directly or indirectly employed by Lessor.

10.2 This section shall not require Lessor to indemnify or hold harmless the City for any losses, claims, damages, or expenses arising out of or resulting from the sole negligence of the City, its employees, or golf patrons.

11. FAIR EMPLOYMENT PRACTICES.

11.1 In the performance of this agreement, the Lessor shall not discriminate against any employee (or applicant for employment) with respect to compensation, terms, advancement potential, conditions, or privileges or employment, because of such person's race, color, religion, sex, disability, national origin, ancestry, age, or marital status, pursuant to the requirements of Chapter 11.08 of the Lincoln Municipal Code and Neb. Rev. Stat. § 48-1122 (Reissue 1998).

12. INTEGRATION.

12.1 This agreement represents the entire agreement between the parties and all prior negotiations and representations are hereby expressly excluded from this agreement.

13. AMENDMENT.

13.1 This agreement may be amended or modified only in writing signed by the City and the Lessor.

14. GOVERNING LAW.

14.1 This agreement will be interpreted and governed in accordance with the Laws of the State of Nebraska.

15. NON-ASSIGN ABILITY.

15.1 Lessor may not assign this lease or service agreement or subcontract any portion thereof without the prior written consent of the City.

15.1.1 Lessor may subcontract a portion of this agreement to the Distributor's. Such subcontracting shall pertain solely to the maintenance, and warranty parts of this agreement herein. Lessee shall continue to make payments only to Nebraska National Bank.

15.2 Notwithstanding any assignment or subcontracting, Lessor shall continue to be obligated for the performance of the terms of this Agreement.

16. NO REMEDY EXCLUSIVE.

16.1 No remedy herein conferred upon or reserved to the City is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

17. LIABILITY.

17.1 Lessor Nebraska National Bank shall be jointly and severally liable under the terms of this agreement, and breach by one may result in termination of the agreement by the City as to both. Lessor Nebraska National Bank specifically has no obligation to provide service or maintenance of the equipment under the terms of this agreement, but failure of the Distributor's to perform under this agreement will result in the termination of the agreement as to either or both Lessor, non-payment by the City to Lessor Nebraska National Bank, and/or any other remedies provided by law.

18. NOTICES.

18.1 Any notice required or permitted to be sent by this agreement shall be sent to the following individuals at the following addresses unless the party to whom notice is to be sent advises the other party of a change:

18.1.1 to the City of Lincoln:

Mr. Stephen M Hiller
2740 A Street
Lincoln, NE 68502

18.1.2 to the Lessor Nebraska National Bank:

Mr. Douglas King
President, Nebraska National Bank
3110 North 2nd Avenue
Kearney, NE 68848-0397

IN WITNESS WHEREOF the City and Lessor have executed this agreement as of the day and year first written above. The persons signing below acknowledge that he/she is authorized to bind his/her entity to the terms of this agreement.

EXECUTION BY CITY OF LINCOLN, NEBRASKA

ATTEST: **City of Lincoln, Nebraska**

_____
City of Lincoln Clerk

By: _____
Mayor

EXECUTION BY LESSOR

ATTEST:

Nebraska National Bank

_____(Seal)

By:_____
Duly Authorized Official

_____Secretary
(Signature)

_____
Legal Title of Official