

ORDINANCE NO. 21-183

AN ORDINANCE AUTHORIZING AND DIRECTING THE CITY MANAGER TO ENTER INTO A VEHICLE LEASE AGREEMENT WITH FIRST TRANSIT, INC., OF CINCINNATI, OHIO, FOR THE PURPOSE OF LEASING FOUR 940 TRANSIT BUSES FOR THE SANDUSKY TRANSIT SYSTEM; AND DECLARING THAT THIS ORDINANCE SHALL TAKE IMMEDIATE EFFECT IN ACCORDANCE WITH SECTION 14 OF THE CITY CHARTER.

WHEREAS, this City Commission authorized and directed the City Manager to enter into a Transportation Services Agreement with First Transit, Inc., in relation to the Sandusky Transit System by Ordinance No. 17-045, passed on February 27, 2017, which was effective April 1, 2017; and

WHEREAS, the City Commission approved a Vehicle Lease Agreement with First Transit, Inc., of Cincinnati, Ohio, for the purpose of leasing two (2) 2007 Eldorado National Buses for the Sandusky Transit System for the period of May 1, 2017, through April 30, 2019, by Ordinance No. 17-094, passed on May 8, 2017; and

WHEREAS, this City Commission approved a Vehicle Lease Agreement with First Transit, Inc., of Cincinnati, Ohio, for the purpose of leasing four (4) transit vehicles for the period of May 1, 2019, through April 30, 2021, by Ordinance No. 19-079, passed on May 13, 2019; and

WHEREAS, the City desires to continue to leasing the four (4) transit vehicles described as follows:

<u>Year / Make</u>	<u>Vehicle ID Number</u>
2007 Eldorado National	1N9HJAC867C084213
2007 Eldorado National	1N9HJAC857C084218
2011 Champion Freightliner	1FVACWDT2BHAZ4834
2014 Glaval Entourage	1FDGF5GY9CEC27051

WHEREAS, the four (4) transit vehicles will be leased for the period retroactive to May 1, 2021, through April 30, 2023, and pursuant to the agreement, First Transit will perform all routine and preventative maintenance on the vehicles and invoice the City monthly; and

WHEREAS, the cost for leasing the four (4) buses is \$700.00 per month / per bus for a maximum total cost of \$67,200.00 and this cost will be paid with Rural Transit Program Grant funds received by the U.S. Department of Transportation Federal Transit Administration (FTA) through the Ohio Department of Transportation; and

WHEREAS, this Ordinance should be passed as an emergency measure under suspension of the rules in accordance with Section 14 of the City Charter in order to immediately execute the Vehicle Lease Agreement as the previous lease expired on April 30, 2021, and allow the Sandusky Transit System to continue utilizing the buses; and

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WHEREAS, in that it is deemed necessary in order to provide for the immediate preservation of the public peace, property, health, and safety of the City of Sandusky, Ohio, and its citizens, and to provide for the efficient daily operation of the Municipal Departments, including the Sandusky Transit System, of the City of Sandusky, Ohio, the City Commission of the City of Sandusky, Ohio finds that an emergency exists regarding the aforesaid, and that it is advisable that this **Ordinance** be declared an emergency measure which will take immediate effect in accordance with Section 14 of the City Charter upon its adoption; and NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF SANDUSKY, OHIO, THAT:

Section 1. The City Manager is authorized and directed to enter into a Vehicle Lease Agreement with First Transit, Inc., of Cincinnati, Ohio, for the purpose of leasing four (4) transit buses for the Sandusky Transit System for the period retroactive to May 1, 2021, through May 13, 2021, substantially in the same form as Exhibit "1", a copy of which is attached to this Ordinance and is specifically incorporated as if fully rewritten herein, together with such revisions or additions as are approved by the Law Director as not being adverse to the City and as being consistent with carrying out the terms of this Ordinance.

Section 2. The City Manager and/or Finance Director is authorized and directed to expend funds to First Transit, Inc., of Cincinnati, Ohio, for the purpose of leasing four (4) transit buses for the Sandusky Transit System for the period retroactive to May 1, 2021, through April 30, 2023, at \$700.00 per month / per bus, for an amount **not to exceed** Sixty Seven Thousand Two Hundred and 00/100 Dollars (\$67,200.00), pursuant to and in accordance with the agreement.

Section 3. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

Section 4. This City Commission finds and determines that all formal actions of this City Commission concerning and relating to the passage of this Ordinance were taken in an open meeting of this City Commission and that all deliberations of this City Commission and of any of its committees that resulted in

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those formal actions were in meetings open to the public in compliance with the law.

Section 5. That for the reasons set forth in the preamble hereto, this Ordinance is hereby declared to be an emergency measure which shall take immediate effect in accordance with Section 14 of the City Charter after its adoption and due authentication by the President and the Clerk of the City Commission of the City of Sandusky, Ohio.



RICHARD R. BRADY

PRESIDENT OF THE CITY COMMISSION



ATTEST:

CATHLEEN A. MYERS

CLERK OF THE CITY COMMISSION

Passed: November 8, 2021

First Transit, Inc.

First Transit Use Only	
Location No.	
Control No.	
Appr.	

VEHICLE LEASE

Effective Date of Lease (“Effective Date”)	__May, 1, 2021
Lessee Full Corporate Name (“Lessee”):	City of Sandusky
Lessee Business Address:	Street: 240 Columbus Avenue City: Sandusky State: Ohio Zip Code: 44870
Lessee Contact Person (“Lessee Contact”):	Name: Nicole Grohe Address: 240 Columbus Avenue, Sandusky, OH 44870 Telephone: 419-627-5832 Mobile Phone:
Lessor	First Transit, Inc. or its assigns, as provided in this Lease
First Transit Branch Address (“First Location”):	First Transit, 1230 N Depot Street, Sandusky, OH 44870 Location # 55449
First Transit Contact Person (“First Contact”):	Name: Patrick Smith Telephone: Mobile Phone: 412-689-8581
First Transit Payment Address (“Payment Address”)	1230 N Depot Street, Sandusky, OH 44870
Lease Termination Date (“Termination Date”)	Termination Date: April 30, 2023 Term in Months: 24 and Days: 0
Intended Use of Vehicles during Lease:	Intended Location of Operation: “State of Operation” shall be the State of Ohio
Lessee’s Liability Insurance Information:	Carrier Name: Policy Number: Expiration Date: Limit Review by First Transit: <input type="text"/> Mgr. Initial
Maintenance Option Selected by Lessee:	See Section 7 of Agreement for detail. Lessee has elected that all Vehicle maintenance be performed by First Transit at the First Transit Location and understands that the charges set forth in ATTACHMENT C will apply for all maintenance and repairs required under this Agreement. Section 7(b) applies to this Agreement.

1. LEASE:

(a) First Transit hereby leases to Lessee and Lessee hereby hires for rent from First Transit, in accordance with and subject to the provisions of this agreement (“Agreement”), the motor vehicle(s) set forth on ATTACHMENT A, to be used by Lessee as multi-passenger vehicles for the purpose of transportation of persons in accordance with the laws of the State of Operation (the “Vehicles”) in accordance with the terms and conditions of that certain Transit Services Agreement by and between Lessee and First Transit dated as of March 31, 2017 as amended by the Third Amendment dated July 20, 2021 (the “Transit Services Agreement”):

(b) The term “Vehicles” whenever used in this Agreement shall be construed to mean the Vehicles identified above together with all equipment and accessories attached to such Vehicles at the time of delivery.

(c) Operation of the Vehicles shall be in accordance with all applicable federal, state and municipal laws, ordinances, rules and regulations for the State of Operation.

2. RENT and TAXES:

(a) Lessee shall pay First Transit rent in amounts shown on ATTACHMENT A for the lease of the Vehicles.

(b) Rent shall be invoiced monthly with monthly pass through maintenance invoiced in accordance with the Transit Services Agreement, at the First Transit’s office at the Payment Address set forth at the beginning in this Agreement.

(c) Lessee shall pay First Transit within 30 days of receipt of First Transit’s invoices. First Transit may cease to make the Vehicles available for the provision of services under the Transit Services Agreement should Lessee fail to compensate First Transit for services rendered within the time period specified herein.

(d) Lessee shall reimburse First Transit for all federal, state and local taxes, fees and registration expenses with respect to the Vehicles.

3. TERM:

This Agreement shall commence on the Effective Date as set forth above and shall continue for a period twenty-four (24) months as set forth above, ending on the Termination Date, unless terminated earlier as provided for herein. This Agreement shall automatically terminate upon the termination of the Transit Services Agreement.

4. USE of the VEHICLES:

First Transit, on behalf of Lessee, shall use and operate the Vehicles for the purpose and in the locations set forth in the Transit Services Agreement, and in accordance with all applicable federal, state and municipal laws, ordinances, rules and regulations.

5. MAINTENANCE:

First Transit shall perform all routine and preventative maintenance on the Vehicles, as set forth in the Transportation Services Agreement, on behalf of the Lessee and shall invoice Lessee monthly for such maintenance.

6. TITLE AND REGISTRATION:

a) Title and ownership in and to the Vehicles shall at all times remain vested in First Transit, and Lessee shall not do or perform any act prejudicial thereto. Lessee shall not pledge, sell, assign, rehire, sublease, abandon, give up possession, damage or destroy the Vehicles.

(b) The Vehicles shall be registered in the name of First Transit under the applicable laws pertaining to motor vehicles in the jurisdictions in which the Vehicles are regularly operated.

7. INSURANCE:

First Transit shall maintain the levels of insurance coverage as required by Section 8 of the Transit Services Agreement.

8. TERMINATION FOR CONVENIENCE:

Either party may terminate this Agreement for convenience upon not less than thirty (30) days prior written notice to the other party.

9. DEFAULT:

In the event that: (a) Lessee fails to pay any rent or make any other payment under this Agreement when due; or (b) Lessee is in default of the performance of any obligations, condition, representation or warranty set out in this Agreement and shall fail to remedy such default within ten (10) days of receipt of written notice by the First Transit of such default; or (c) Lessee becomes insolvent or makes an assignment for the benefit of its creditors or applies for or consents to the appointment of a receiver, trustee or liquidator, or a receiver, trustee or liquidator is appointed without the application or consent of Lessee, or a petition is filed by or against Lessee under bankruptcy or insolvency laws providing for relief or debtors, or Lessee breaches any of the terms of any lien or credit agreements, or Lessee makes a bulk transfer of its assets, equipment or inventory; or (d) any other execution or writ or process is issued in any action or proceedings against Lessee, whereby the Vehicles may be taken or detained; then Lessee shall be and shall be deemed to be in final default of this Agreement and shall for all purposes be deemed to have repudiated this Agreement, and First Transit may, by notice addressed to Lessee, terminate this Agreement and shall thereafter be entitled to the entire amount of the unpaid rent for the full balance of the term of this Agreement, discounted to net present value at the date of termination, in accordance with generally accepted accounting principles. The foregoing rights and remedies shall be cumulative, and in addition to and not in limitation of any other rights First Transit may have at law or in equity. In the event that the First Transit shall incur any legal costs, attorney's fees or court costs by reason of an event of default by Lessee under this Agreement, Lessee shall be liable to First Transit for such attorney's fees, court costs and any expenses related to the enforcement of First Transit's rights under this Agreement.

~~10. INDEMNITY:~~

~~Lessee shall indemnify and save First Transit harmless from and against all fines and penalties, claims, losses, costs, damages, suits and expenses (including attorney's fees, court costs and experts fees resulting from, caused or contributed by or relating to or arising out of the breach by Lessee of any of the provisions of the Agreement, except to the extent that such claim or demand arises from or is caused by the negligence or willful misconduct of First Transit, its agents or employees.~~

11. ASSIGNMENT AND AMENDMENTS:

No assignment of this Agreement or any interest hereunder on the part of Lessee shall be of any force or effect unless consented to in writing by First Transit. First Transit may assign this Agreement without the consent of Lessee and on prior written notice, to any subsidiary or affiliate of First Transit or its parent company. Lessee shall cooperate in the execution of assignment documents, as may reasonably be required by First Transit or its assignee. Except for such assignment, Agreement may only be modified or amended by writing, stating that it is an amendment and signed by the parties.

12. NOTICES:

Any notices desired or required to be given under this Agreement shall be made in writing by courier to the address to the contact persons for each party set forth at the beginning of this Agreement, or to such other address as the parties may hereafter substitute by written notice.

13. TIME: Time is of the essence of this Agreement and each and all of its provisions.

14. INTERPRETATION: Whenever the context of this Agreement so requires, the singular number includes the plural and vice versa. The headings in this Agreement are for convenience only and shall not affect the interpretation of this Agreement. This Agreement shall be governed by and interpreted in accordance with the laws in force in the jurisdiction where the Vehicles are located.

FIRST TRANSIT, INC.

LESSEE: CITY OF SANDUSKY

By:

By:

(Signature)

(Signature)

(Name and Title)

(Name and Title)

ATTACHMENT A
Vehicles under Lease

<u>First Transit Vehicle No.</u>	<u>Year/Make</u>	<u>Capacity</u>	<u>VIN</u>	<u>Monthly Rent per Vehicle*</u>
184611	2007 Eldorado National		1N9HJAC867C084213	\$700 per month/ per vehicle for months 1- 24
184619	2007 Eldorado National		1N9HJAC857C084218	\$700 per month/ per vehicle for months 1- 24
196240	2014 Glaval Entourage		1FDGF5GY9CEC27051	\$700 per month for months 1 - 24
196772	2011 Champion Freightliner		1FVACWDT2BHAZ4834	\$700 per month for months 1 - 24

Initial for Acceptance of ATTACHMENT A terms:	First Transit	Lessee