

EFM SUBMISSION NO.: 2012EFM154

PRESENTED: 11-14-12

ADOPTED: 11-16-12

**BY THE EMERGENCY FINANCIAL MANAGER:**

**Authorization for Appropriate City of Flint Officials to Enter Into an Equipment Lease Agreement with the Genesee County Land Bank**

The Department of Infrastructure and Development, Fleet Maintenance Division, desires to enter into an Equipment Lease Agreement with the Genesee County Land Bank to allow the Land Bank to utilize a garbage truck to pickup and transport trash and debris collected from properties throughout the City; and

The Department of Infrastructure and Development, Fleet Maintenance Division, is requesting authorization to enter into an Equipment Lease Agreement with the Genesee County Land Bank as detailed on the attached Flint-Genesee County Land Bank Equipment Lease, which specifies the terms and conditions of the lease. Said lease shall be executed in consideration of one dollar (\$1.00) and other valuable consideration, for a period of three (3) years from the date of execution of the agreement; and

**IT IS RESOLVED**, appropriate City of Flint Officials are authorized to enter into an Equipment Lease Agreement with the Genesee County Land Bank as detailed on the attached Flint-Genesee County Land Bank Equipment Lease, which specifies the terms and conditions of the lease. Said lease shall be executed in consideration of one dollar (\$1.00) and other valuable consideration, for a period of three (3) years from the date of execution of the agreement.

**BE IT FURTHER RESOLVED**, the one dollar (\$1.00) revenue to be received shall be recognized in the 661 Fund contribution account 661-000.300-674.000.

**APPROVED AS TO FORM:**

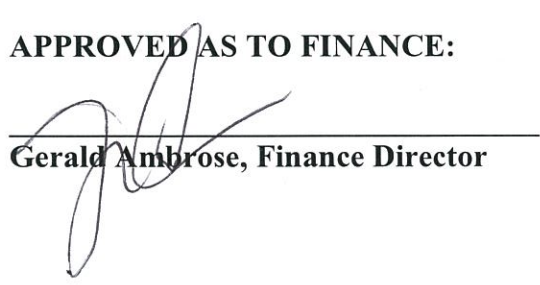


**Peter M. Bade, City Attorney**



**Michael K. Brown, City Administrator**

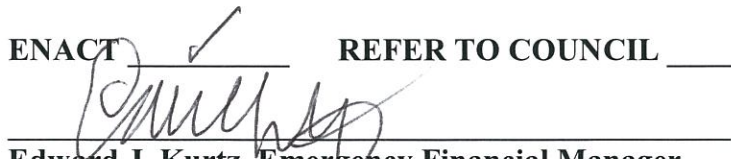
**APPROVED AS TO FINANCE:**



**Gerald Ambrose, Finance Director**

**EFM DISPOSITION:**

ENACT  REFER TO COUNCIL \_\_\_\_\_ FAIL \_\_\_\_\_



**Edward J. Kurtz, Emergency Financial Manager**

DATED: 11-16-12

RESOLUTION STAFF REVIEW

**Date:** November 12, 2012

**Agenda Item Title:** Authorization for Appropriate City of Flint Officials to Enter Into an Equipment Lease Agreement with the Genesee County Land Bank

**Prepared By:** Kay Muhammad for Howard Croft, Department of Infrastructure and Development

**Background/Summary of Proposed Action:**

The City of Flint and Genesee County Land Bank have developed a partnership to address trash and debris issues that cause blighted conditions to exist on properties throughout the Flint Community. The Land Bank on a continuing basis removes large volumes of trash and debris from properties and vacant lots that must be transported and properly disposed of at a disposal site.

The City of Flint desires to lease a garbage truck to the Genesee County Land Bank for consideration of one dollar (\$1.00) and other valuable consideration to help facilitate the timely removal of trash and debris from properties throughout the Flint Community. The terms and conditions of the lease will enable the City to be held harmless from and against any and all claims, damages, and expenses, arising out of the use of the equipment and allow the Land Bank to secure the use of the equipment and insurance to cover liabilities that may occur as a direct result of using said equipment.

The Department of Infrastructure and Development, Fleet Maintenance Division, is requesting authorization for appropriate City of Flint Officials to enter into an Equipment Lease Agreement with the Genesee County Land Bank as detailed on the attached Flint-Genesee County Land Bank Equipment Lease, which specifies the terms and conditions of the lease. Said lease shall be executed in consideration of one dollar (\$1.00) and other valuable consideration, for a period of three (3) years from the date of execution of the agreement.

**Financial Implications:** The City of Flint will be liable for all claims, damages, and expenses, arising out of the use of the equipment if no Equipment Lease Agreement is executed.

**Budgeted Expenditure?** Yes      No       **Please explain if no:** revenue received, liabilities decreased


**Account No.:** one dollar (\$1.00) revenue to be recognized in the 661 Fund contribution account 661-000.300-674.000

**Pre-encumbered?** Yes      No       **Requisition #** no local funding required for this contract

**Other Implications (i.e., collective bargaining):**

**Staff Recommendation:** Recommend Approval

**Staff Person:**

  
Howard Croft, Director  
Infrastructure and Development

**FLINT – GENESEE COUNTY LANDBANK  
EQUIPMENT LEASE**

This is a lease agreement between the City of Flint (“City”) and the Genesee County Land Bank (“Lessee”). In consideration of one dollar (\$1.00) and other valuable consideration, the City leases to Lessee the equipment described in Attachment A for three (3) years from the date of execution of the agreement.

**Terms and Conditions**

**I. AGREEMENT TO INDEMNIFY AND HOLD HARMLESS**

Lessee agrees to indemnify and hold harmless the City and its officers, agents and employees from and against any and all claims, damages, and expenses, arising out of the use of the equipment by Lessee or by Lessee's officers, employees, agents and/or others whom Lessee allows to use equipment.

**II. GENERAL REGULATIONS**

Lessee agrees to the following terms and conditions. Lessee shall:

1. Abide by the Agreement, its Terms and Conditions, and any and all Attachments;
2. Use only the equipment specified in this Agreement;
3. Notify the City in writing within 48 hours of any breakage, damage and/or accident involving the equipment;
4. Maintain insurance on the equipment;
5. Pay either replacement costs or repair costs caused by damage, loss, normal wear and tear, or pilferage;
6. For motor vehicles, as defined by the Michigan No Fault Act, maintain auto insurance including personal property, personal injury, and excess insurance on said vehicle of at least one million dollars, with the City named as sole loss payee;
7. Allow only the equipment to be operated by those who possess the applicable driver’s license and certifications required under Michigan law;
8. Be solely responsible for securing equipment and ensuring that it is used by authorized employees, and shall fully indemnify and hold harmless the City and its officers, agents and employees from and against all claims, damages, and expenses, arising out of the use of the equipment by any unauthorized individual;
9. Comply with the required annual DOT inspections;
10. Perform periodic maintenance (oil change, filters, etc.) no less than every 6 months;

11. Have repair and maintenance performed by either the City's Fleet Maintenance facility or a properly licensed repair facility;
12. Provide proof of these maintenance services and copies of all repair documents to the City of Flint Fleet Maintenance Superintendent immediately after they are performed;
13. Allow the City to inspect the equipment and to confirm that operators are appropriately trained and licensed annually.

**III. TERMINATION**

The City may terminate this Agreement at any time for any reason. Lessee may terminate this Agreement, for cause or no cause at all.

**IV. MODIFICATIONS**

This Agreement may be modified from time to time but only if a modification is in writing and signed by both parties.

**V. NON-ASSIGNABILITY**

This agreement is non-assignable.

**VI. CITY'S RIGHT TO PROPERTY**

Notwithstanding anything to the contrary in this Agreement, Lessee's right to use the City equipment shall be subject and subordinate to City's necessary uses of the equipment.

**VII. DISCLAIMER OF EMPLOYMENT RELATIONSHIP**

Nothing contained in this agreement shall create any employment relationship between the City and Lessee.

Genesee County Land Bank, Lessee

Dated: \_\_\_\_\_

\_\_\_\_\_  
Douglas Weiland, Executive Director

City of Flint, Lessor

Dated: 11-16-12

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Edward L. Kurtz  
Emergency Financial Manager