

AVIATION REFUELER LEASE AGREEMENT #601-L0811

EPIC Aviation LLC dba Air BP Aviation Services (Lessor), located at 1790 16th Street, S.E., Salem, Oregon 97305 leases to County of El Dorado (Lessee and/or County), 3501 Airport Road, Placerville, CA 95667, aviation refueling truck (the “property” or the “refueling equipment”), on the following terms and conditions:

ARTICLE I

Description of Equipment Leased: The property to be leased is a 1999 Ford Avjet Refueler, Unit no. R30006, VIN 1FDAF56FXXEA007770, with 1,200 tank capacity.

ARTICLE II

Term: The term of this lease shall be in accordance with the Agreement for Services #568-S0811 **ARTICLE II - Term.**

ARTICLE III

Payments by Lessee: The amount of monthly rental payments is \$757.00. The total amount of rental payments under this section shall not exceed \$27,252.00. Lessee will make payments at Lessor’s address as set forth above or at any other place that may be designated by Lessor or its assignees (upon notice to Lessee in accordance with this Lease). All rental payments are due and payable in advance on the 1st day of each month beginning after the execution of this Lease and during the term of this Lease.

ARTICLE IV

Ownership: This Lease constitutes a lease or bailment of the property described and is not a sale or the creation of a security interest. Lessee will not have, or at any time acquire, any right, title, or interest in the property, except the right to possession and use as provided for in this Lease. Property shall be used solely by Lessee for handling the aviation fuel supplied Lessee by Lessor. Said refueling equipment shall not be removed from the Placerville Airport location without the prior written consent of the Lessor. Lessor will at all times be the sole owner of the property.

ARTICLE V

Maintenance and Operating Expenses: Lessee shall, at Lessee's expense, maintain the property at all times in good, safe, and efficient operating condition, and to that end shall maintain equipment in accordance with the attached Exhibit "A", marked "Lessee/Lessor Responsibilities," incorporated herein and by reference made part hereof. Lessee shall not make any alterations to, additions to or removals from the property or Lessor identification and lettering thereon. Lessor shall have the right at any time to inspect, repair, and replace property, and, for such purpose, to enter any premises where the property is located. Lessee shall give Lessor prompt notice, prior to work being done, of any maintenance or repair which Lessor is not obligated to make hereunder, but which Lessee deems necessary.

Lessor shall, at Lessor's expense, provide major repairs and/or replacement for vehicle drive train (engine, transmission, differential), which, in Lessor's sole judgment are not necessitated by Lessee's neglect, abuse, accident or failure to perform maintenance.

All other repairs and replacement of the equipment, which Lessor deems necessary or desirable, shall be made by and at the expense of Lessee. Lessee shall be responsible for any loss of the equipment by theft and any loss or damage thereof by fire or explosion. If Lessee fails to perform any maintenance or repair which Lessee is obligated to perform hereunder within ten (10) days after notification and request by Lessor, Lessor may (without prejudice to its other rights on account of such breach of Lease) perform such maintenance or repair and shall be reimbursed by Lessee on demand for all costs incurred by Lessor related to the necessary maintenance or repair including any additional operating expenses resulting therefrom.

Lessee shall not add to or remove from the refueling equipment leased hereunder any equipment or appurtenances without the prior written consent of the Lessor. All installations, replacements, and substitutions of parts or accessories with respect to any of the property will constitute accession and will become part of the property and will be owned by Lessor.

ARTICLE VI

Use of Property: Lessee will be entitled to the absolute right of the use, operation, possession, and control of the lease property during the term of this Lease, provided Lessee is not in default of any provision of this Lease or subject to any security interest Lessor may have given or may give to any third party during the term of this Lease. Lessee will employ and have absolute control, supervision, and responsibility over any operators or users of the property.

Lessee will use the property in a careful and proper manner and will not permit the property to be operated or used in violation of any applicable federal, state, or local statute, ordinance, rule, or regulation relating to the possession, use, or maintenance of the property. Lessee agrees to reimburse Lessor in full for all damage to the property.

ARTICLE VII

Lessor's Rights of Inspection: Lessor, at its discretion during Lessee's regular business hours and with three (3) days prior notice to Lessee, will have the right to enter, for the purpose of inspection, the premises where the property is located or used. If, in the sole opinion of Lessor, any property covered by this Lease is not being properly maintained, Lessor will have the right, but not the obligation, to have it repaired or maintained at a service facility at the expense of Lessee.

ARTICLE VIII

Other Charges: Lessee will be liable for any fees for licenses, registrations, permits, and other certificates that may be required for the lawful operation of the property. All certificates of title will initially be applied for the State of California and will be issued and maintained in the name of Lessor, as owner. These will be delivered to Lessor, and Lessee will pay all expenses in relation to them.

Lessee is responsible for the timely payment of all taxes and assessments on or applicable to the equipment leased under this lease.

ARTICLE IX

Liability: Lessee assumes all risk and liability for the loss of or damage to the equipment, for the death or injury to any person or property, and for all other risks and liabilities arising from the use, condition, possession, or storage of the leased property. Nothing in this Lease will authorize Lessee or any other person to operate any of the property so as to impose any liability or other obligation on Lessor.

ARTICLE X

Accident, Loss of Property, or Damage to Property: If any property covered by this Lease is damaged, lost, stolen, or destroyed, or if any person is injured or dies, or if any property is damaged as a result of its use, maintenance or possession, Lessee will promptly notify Lessor of the occurrence, and will file all necessary accident reports, including those required by law and those required by insurers of the property.

Lessee, its employees, and agents will cooperate fully with Lessor and all insurers providing the insurance under this Lease in the investigation and defense of any claims. Lessee will promptly deliver to Lessor any documents served on or delivered to Lessee, its employees, or its agents in connection with any claim or proceeding at law or in equity begun or threatened against Lessee, Lessor, or both, concerning the leased property.

ARTICLE XI

Assignment: Lessee will not assign this Lease or any property described in it, or assign any interest in the Lease or property, or sublet any of the leased property without the express written consent of the Lessor.

ARTICLE XII

Actions Constituting Default: Lessor, at its option, may by written notice to Lessee declare Lessee in default on the occurrence of any of the following:

- a. Failure by Lessee to make payments or perform any of its obligations under this lease;
- b. Institution by or against Lessee of any proceeding in bankruptcy or insolvency, or the reorganization of Lessee under any law, or the appointment of a receiver or trustee for the goods and chattels of Lessee, or any assignment by Lessee for the benefit of creditors;
- c. Involuntary transfer of Lessee's interest in this Lease by operation of law.

ARTICLE XIII

Rights, Remedies, and Obligations on Default: After the default of Lessee and on notice from Lessor that Lessee is in default, Lessor will have the following options:

- a. To terminate the Lease and Lessee's rights under the Lease;
- b. To declare any monthly rent installment that was due but yet unpaid, required of Lessee under the Lease to be payable;
- c. To repossess the property without legal process free of all rights of Lessee to the property. Lessee authorizes Lessor or Lessor's agent to enter on any premises where the property is located and repossess and remove it. Lessee specifically waives any right of action Lessee might otherwise have arising out of the entry and repossession, and releases Lessor of any claim for trespass or damage caused by reason of entry, repossession, or removal;
- d. Any other remedy allowed or provided by law.

No failure on the part of Lessor to exercise any remedy or right and no delay in the exercise of any remedy or right will operate as a waiver. No single or partial exercise by Lessor or any remedy or right will preclude any other of further exercise of that remedy or right or the exercise of any other rights or remedies. No forbearance by Lessor to exercise any rights or privileges under this Lease will be construed as a waiver, but all rights and privileges will continue in effect as if no forbearance had occurred. Acceptance by Lessor of rent or other payments made by Lessee after default will not be deemed as a waiver of Lessor's rights and remedies arising from Lessee's default.

ARTICLE XIV

Return of Property on Expiration: Upon the expiration date or earlier termination of this Lease with respect to any or all of the property, Lessee will return the property to Lessor, together with all accessories, free from all damage and in the same condition and appearance as when received by Lessee, allowing for ordinary wear and tear in accordance with Exhibit "B" marked "Certificate of Acceptance and Inspection," incorporated herein and by reference made a part hereof. If Lessee fails or refuses to return the equipment to Lessor, Lessor will have the right to take possession of the property and for that purpose to enter any premises where the property is located without being liable in any suit, defense, or other proceedings to Lessee.

ARTICLE XV

Encumbrances or Liens; Notice: Lessee will not pledge, encumber, create a security interest in, or permit or allow any lien or encumbrance of any kind whatsoever to become effective on any leased property. If any of those events take place, Lessee will be deemed to be in default at the option of Lessor. Lessee will promptly notify Lessor of any liens or other encumbrances of which Lessee has knowledge. Lessee will promptly pay or satisfy any obligation from which any lien or encumbrance arises, and will otherwise keep the property and all title from which any lien or encumbrance arises, and will otherwise keep the property and all title and interest free of any Liens and encumbrances. Lessee will deliver to Lessor appropriate satisfactions, waivers, or evidence of payment.

ARTICLE XVI

Notices: Except as otherwise expressly provided by law, any notices or other communications required or permitted by this Lease or by law to be service on or given to either party by the other party will be in writing and will be deemed duly served or given when personally delivered to (any member of or the designated agent of) the party to whom they are directed, or in lieu of personal service, when deposited in the United States mail, first-class postage prepaid, addressed to Lessee at the following address:

El Dorado County
General Services Department
360 Fair Lane (Mailing Address)
345 Fair Lane (Physical Address)
Placerville, CA 95667
Attn: Jordan Postlewait, Manager, Airports, Parks and Grounds

or to Lessor at the following address:

EPIC Aviation, LLC
1790 16th Street S.E
Salem, OR 97302

Either party may change its address for the purpose of this paragraph by given written notice of chance to the other party in the manner provided in this paragraph.

ARTICLE XVII

Entire Agreement: This Lease and any attached Schedule(s), which is/are incorporated by reference and made an integral part of the Lease, constitute the entire agreement between the parties. No agreements, representations, or warranties other than those specifically set forth in this Lease or in the attached Schedule(s) will be binding on any of the parties unless set forth in writing and signed by both parties.

ARTICLE XVIII

Governing Law: This Lease will be deemed to be executed and delivered in California and governed by the laws of the State of California. Any dispute resolution action arising out of this Lease, including but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California.

ARTICLE XIX

Severability Clause: If any provision of this Lease or the application of any of its provisions to any party or circumstance is held invalid or unenforceable, the remainder of this Lease, and the application of those provisions to the other parties or circumstances, will remain valid and in full force and effect.

ARTICLE XX

Administrator: The County Officer or employee with responsibility for administering this Lease shall be Jordan Postlewait, Airports, Parks and Grounds Manager, General Services Department, or successor.

ARTICLE XXI

Fiscal Considerations: The parties to this Agreement recognize and acknowledge that County is a political subdivision of the State of California. As such, El Dorado County is subject to the provisions of Article XVI, Section 18 of the California Constitution and other similar fiscal and procurement laws and regulations and may not expend funds for products, equipment or services not budgeted in a given fiscal year. It is further understood that in the normal course of County business, County will adopt a proposed budget prior to a given fiscal year, but that the final adoption of a budget does not occur until after the beginning of the fiscal year.

Notwithstanding any other provision of this Agreement to the contrary, County shall give notice of cancellation of this Agreement in the event of adoption of a proposed budget that does not provide for funds for the services, products or equipment subject herein. Such notice shall become effective upon the adoption of a final budget which does not provide funding for this Agreement. Upon the effective date of such notice, this Agreement shall be automatically terminated and County released from any further liability hereunder.

In addition to the above, should the Board of Supervisors during the course of a given year for financial reasons reduce, or order a reduction, in the budget for any County department for which services were contracted to be performed, pursuant to this paragraph in the sole discretion of the County, this Agreement may be deemed to be canceled in its entirety subject to payment for services performed prior to cancellation.

ARTICLE XX

Insurance: Lessor is covered for its general liability, automobile liability, property, and workers' compensation liability through a self-insurance program, in conjunction with excess coverage through the California State Association of Counties – Excess Insurance Authority. A certificate of coverage will be furnished to Lessor upon request.

Lessor shall provide proof of a policy of insurance satisfactory to the El Dorado County Risk Manager and documentation evidencing that Lessor maintains insurance that meets the following requirements:

- A. Full Workers' Compensation and Employers' Liability Insurance covering all employees of Lessor as required by law in the State of California.
- B. Commercial General Liability Insurance of not less than \$1,000,000.00 combined single limit per occurrence for bodily injury and property damage.
- C. Automobile Liability Insurance of not less than \$1,000,000.00 is required in the event motor vehicles are used by the Lessor in the performance of the Agreement.
- D. In the event Lessor is a licensed professional, and is performing professional services under this Agreement, professional liability (for example, malpractice insurance) is required with a limit of liability of not less than \$1,000,000.00 per occurrence.
- E. Lessor shall furnish a certificate of insurance satisfactory to the El Dorado County Risk Manager as evidence that the insurance required above is being maintained.
- F. The insurance will be issued by an insurance company acceptable to the Risk Management Division, or be provided through partial or total self-insurance likewise acceptable to the Risk Management Division.

- G. Lessor agrees that the insurance required above shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires at any time or times during the term of this Agreement, Lessor agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of the Agreement, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of the Risk Management Division and Lessor agrees that no work or services shall be performed prior to the giving of such approval. In the event the Lessor fails to keep in effect at all times insurance coverage as herein provided, County may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.
- H. The certificate of insurance must include the following provisions stating that:
1. The insurer will not cancel the insured's coverage without thirty (30) days prior written notice to County, and;
 2. The County of El Dorado, its officers, officials, employees, and volunteers are included as additional insured, but only insofar as the operations under this Agreement are concerned. This provision shall apply to the general liability policy.
- I. The Lessor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees or volunteers shall be excess of the Lessor's insurance and shall not contribute with it.
- J. Any deductibles or self-insured retentions must be declared to and approved by the County, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the County, its officers, officials, employees, and volunteers; or the Lessor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- K. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the County, its officers, officials, employees or volunteers.
- L. The insurance companies shall have no recourse against the County of El Dorado, its officers and employees or any of them for payment of any premiums or assessments under any policy issued by any insurance company.
- M. Lessor's obligations shall not be limited by the foregoing insurance requirements and shall survive expiration of this Agreement.

ARTICLE XXIV

Authorized Signatures: Thee parties to this Lease represent that the undersigned individuals executing this Lease on their respective behalf are fully authorized to do so by law or other appropriate instrument and to bind upon said parties to the obligations set forth herein.

LESSOR:

**EPIC Aviation, LLC dba
Air BP Aviation Services**

Dated

Mike Delk
President

Dated

By _____
Corporate Secretary

EL DORADO COUNTY

Dated

Bonnie H. Rich
Purchasing Agent

EXHIBIT "A"
LESSEE/LESSOR RESPONSIBILITIES

LESSEE RESPONSIBILITIES

The Lessee shall at Lessee's expense, maintain the equipment at all times in good, safe and efficient operation condition, and to that end shall:

1. Furnish all fuel, engine oil, hydraulic fluids, lubricants and coolants at prescribed levels. Do not use Avgas Fuel in a Gas Powered Refueler or Jet Fuel in a Diesel Powered Refueler. Use appropriate fuel only, such as Unleaded Gas or Diesel.
2. All model year 2007 or newer diesel engines must be fueled with ultra low sulfur diesel as prescribed by chassis manufacturer.
3. All damage to the engine and related expenses caused by the use of Avgas, Jet fuel or non spec diesel in Refueling Equipment will be the responsibility of the Lessee.
4. Lessee shall keep complete and accurate maintenance records and Lessor shall be entitled to inspect the Refueling Equipment and the maintenance records at any time during regular business hours.
5. Engine oil change, including change of oil filter and chassis lubrication, shall be performed every two hundred (200) hours of use or three (3) months which ever comes first. Air filter shall be changed at least once a year or sooner if condition dictates.
6. Lessee shall maintain a 50/50 mix of antifreeze and water in the Refueling Equipment cooling system.
7. Make all repairs necessitated by neglect, abuse, normal wear and tear, including but not limited to the following chassis and equipment maintenance and repairs:
 - a. Furnish and install spark plugs, ignition points and condenser and adjust timing.
 - b. Service air filter, furnishing oil or replacement element as required.
 - c. Furnish and install engine accessory drive belts.
 - d. Furnish and install cooling system hoses and correct leaks.
 - e. Furnish and install light bulbs, sealed beams, fuses, lenses, reflectors and broken glass.
 - f. Maintain and charge batteries, replenish water, clean terminals, furnish and install new batteries and cables.
 - g. Clean engine fuel line sediment bowls, furnish and install fuel filter elements.
 - h. Inspect recharge and certify all fire extinguishers.
 - i. Furnish and install brake fluid and adjust brakes as needed
 - j. Drain water sumps as required.

- k. Furnish and install new dispensing nozzles, ground wires, connectors and ground wire reels.
 - l. Furnish and install replacement windshield wiper blades, arms and hoses.
 - m. Pay for meter calibration, and licensing, required by city, county or state authority. Lessor assumes no responsibility for non-compliance of these licenses.
 - n. General tightening of chassis, body and tank. Correct any leaks in the dispensing apparatus repairable by tightening and/or gasket replacement.
 - o. Furnish and install replacement aviation product filters.
 - p. Maintain and or replace Pump, PTO, and Product Delivery System
8. Lessee shall maintain proper torque of wheel lug nuts and tire pressure. Lessee shall repair and change tires as necessary.
- a. Tires shall be of matched generic type and tread design as originally supplied and have a minimum of 10/32nds remaining tread. Front tires will be original casings (recapped casings are acceptable for the rear tires)
9. All Refueling Equipment maintenance and or operational manuals as supplied with Refueling Equipment shall be returned with vehicle when equipment is returned to Lessor.

LESSOR RESPONSIBILITIES

1. Air BP Aviation Services shall provide major repairs and/or replacement for vehicle drive train (engine, transmission, differential) which, in Air BP Aviation Services sole judgment are not necessitated by Lessee's neglect, abuse, accident or failure to perform maintenance.
2. All other repairs and replacement of the equipment, which Air BP Aviation Services deems necessary or desirable, shall be made by and at the expense of the Lessee. Lessee shall give Air BP Aviation Services prompt notice, prior to work being done, or any maintenance or repair which Lessee is not obligated to make hereunder, but which Lessee deems necessary. If Lessee fails to perform any maintenance or repair which Lessee is obligated hereunder within ten (10) days after notification and request by Air BP Aviation Services, Air BP Aviation Services may (without prejudice to its other rights on account of such breach of the Lease) perform such maintenance or repair and shall be reimbursed by Lessee on demand for all costs incurred by Air BP Aviation Services relating to the necessary maintenance or repair including any additional operating expenses resulting therefrom. Without Air BP Aviation Services' prior written consent, Lessee shall not make any alterations of, additions to, or removals from the equipment or Air BP Aviation Services identification and lettering thereon. Air BP Aviation Services shall have the right at any time to inspect, repair and replace equipment and, for such purpose, to enter any premises where the same is located.

Exhibit "B"
Certificate of Acceptance and Inspection

Referencing the following equipment:

Vehicle: R30006
VIN# 1FDAF56FXXEA007770

Year/make: 1999, Ford
Tank size: 1200

Lessor: EPIC AVIATION, LLC
DBA AIR BP AVIATION SERVICES
1790 16th Street, SE
Salem, OR. 97302

Lessee: COUNTRY OF EL DORADO
3501 Airport Road,
Placerville California, 95667

Miles		Hours	
Meter 1:		Meter 2:	

The Lessee acknowledges that the Equipment described in the above referenced lease was received at the location(s) set forth in the lease and was unconditionally accepted by the Lessee on (date) _____ in good working order and condition.

Note: The following must be performed prior to accepting the vehicle and using the vehicle for fueling.

1. Drain the following: Hoses_____, Tank Drains_____, Filter Drains_____, and Bottom Load_____.
2. Inspect Hoses_____.
3. Check Interlocks_____.
4. Check interior of the product tank_____, Check Dome Lid and Gaskets_____, Vent Hood_____.
5. Fill truck and check for leaks_____, Test the pre check_____.
6. Q.C. and water test the Hose ends_____, Filter Drain_____, Tank Drains_____.
7. Re-circulate all hoses (meter 500 gallons for overwing and 1000 for single point) _____.
8. If required run the micro filter test_____.
9. Test the Pressure Control System_____.
10. Test the Emergency Shut-off _____, Test the Deadman Shut-down_____.
11. Re Q.C. and water test the Hose Ends_____, Filter Drains_____, and Tank Drains_____.
12. Check Nozzle Screens_____.
13. Additive Injector Inspected and Calibrated, if Applicable_____
14. Maintenance or operational manual in cab_____

Unit meets required Q.C. standards. Sign_____ Date_____

Signature required, if equipment found to be in good working order and condition

IMPORTANT! LESSEE MUST FILL IN DATE ABOVE!

 Name of Lessee

 By

 Title