



CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

AGENDA
CITY OF LAKE WORTH
CITY COMMISSION SPECIAL MEETING
TUESDAY, DECEMBER 09, 2014 - 6:00 PM

1. ROLL CALL:

2. PLEDGE OF ALLEGIANCE: Led by Commissioner Christopher McVoy

3. UPDATES/FUTURE ACTION/DIRECTION:

A. Building Performance & Sustainability - Performance Contracting Project Update

B. Water Utility Department Annual Report for Fiscal Year 2014

C. Water Utility Department Update of Ordinance and Policies and Procedures Manual

4. UNFINISHED BUSINESS:

A. Purchase Agreement with E-Z-Go Division of Textron, Inc. for 70 golf carts for the Lake Worth Golf Course

B. Resolution No. 70-2014 - Master Lease Agreement with TCF Equipment Finance for the financing and leasing of 70 golf carts

5. ADJOURNMENT:

If a person decides to appeal any decision made by the board, agency or commission with respect to any matter considered at such meeting or hearing, he or she will need a record of the proceedings, and that, for such purpose, he or she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. (F.S. 286.0105)

NOTE: ONE OR MORE MEMBERS OF ANY BOARD, AUTHORITY OR COMMISSION MAY ATTEND AND SPEAK AT ANY MEETING OF ANOTHER CITY BOARD, AUTHORITY OR COMMISSION.



SIEMENS



City Hall

Building Performance & Sustainability

December 9 2014

City of Lake Worth

Performance Contracting Project Update

Performance Contracting

Governed by FL Statute

- Written guarantee that Savings/revenues will meet or exceed Project cost
- If savings not realized, Siemens will cover the guaranteed shortfall
- Periodic evaluation and report
 - Ensure proper operations of project equipment
 - Report discrepancies, inefficiencies and options for increased efficiencies
 - International Performance Measurement and Verification Protocol (IPMVP)
- Turn-key solution; no change orders

Agenda



- **Facilities Update**
- **Street Lighting Update**
- **PV Update**
- **Advanced Metering Infrastructure (AMI)**
- **Compressed Natural Gas (CNG)**
- **Questions**

Facility Improvement Measures (FIM)

- Lighting Retrofit – Interior and Exterior
- Lighting Controls
- LED pool lights
- Water Conservation
- DX Unit Replacements
- Chiller replacement
- Irrigation Well
- Pool chlorination system
- Building insulation & weatherization
- Assessed but dismissed
 - Sports Lighting
 - Pool pumping controls
 - Geothermal heating/cooling
 - Heat exchange replacement

Agenda



- **Facilities Update**
- **Street Lighting Update**
- **PV Update**
- **Advanced Metering Infrastructure (AMI)**
- **Compressed Natural Gas (CNG)**
- **Questions**

LED Street Lights

- Improved visibility & safety
- Reduced energy consumption (60 - 65%)
- Uniformity of lighting levels
- Standardization of inventory
- Ease of maintenance & operations
- Replace old & worn light covers
- 100,000 hour life (over 20 years)
- Dark Skies compliant
- Light temperature
 - color rendering considerations



Agenda



- Facilities Update
- Street Lighting Update
- **PV Update**
- Advanced Metering Infrastructure (AMI)
- Compressed Natural Gas (CNG)
- Questions

Renewable Energy (Solar)

- 2 MW Solar Electric System
- Leader in Renewable Energy
- Located at City's Landfill
- Great use of existing land
- City-owned alternative energy
- Scalable to over 10MW
- Reduce Peak Demand (save \$\$)

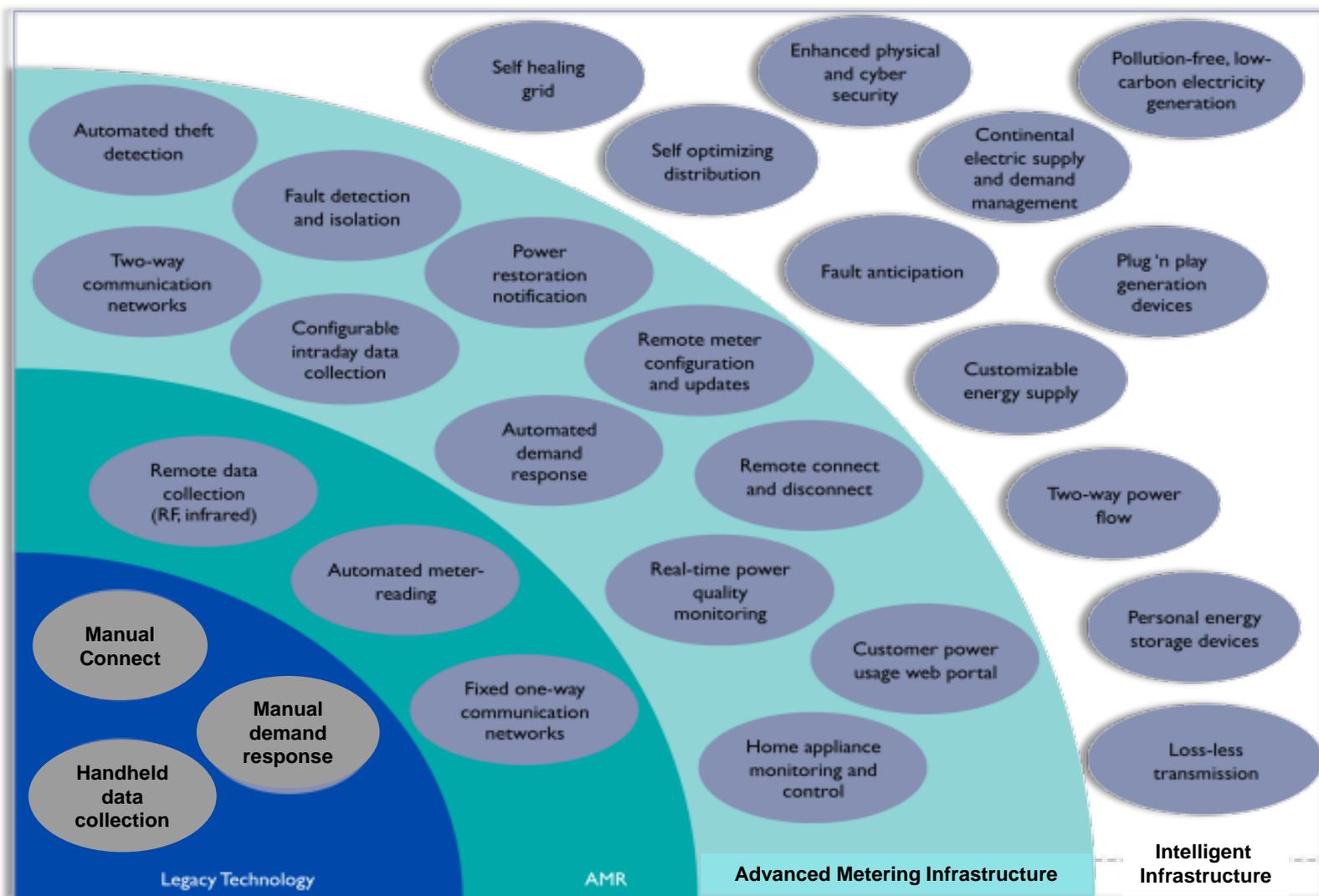


Agenda



- Facilities Update
- Street Lighting Update
- PV Update
- **Advanced Metering Infrastructure (AMI)**
- Compressed Natural Gas (CNG)
- Questions

Evolution of Metering



Technology Maturity

AMI Enhancements

▪ **Improve Operational Efficiencies**

- Automated meter reading
- Energy & Water loss detection (leaks, continuous flow & reverse flow)
- Remote Disconnect / Reconnect (reduced truck rolls, fuel, labor, emissions, etc.)
- Remote Network Diagnostics and Monitoring
- Recover unaccounted for consumption & associated revenues
- Reduce restoration times and Ability to trouble-shoot from the office

▪ **Customer engagement**

- Enhanced billing accuracy & Superior Customer Relationships
- Efficient resolution of bill inquires (high bill complaints, etc.)
- Access to timely and reliable usage information to consumers
- Customer Information Portal: Education through information
- Timely identification of customer premise leaks

AMI Driving Changes

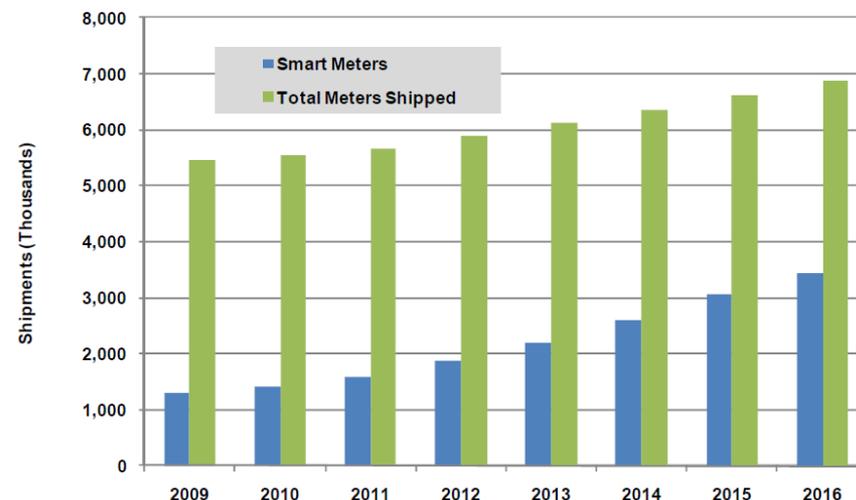
AMI based systems that deliver hourly consumption data via a fixed-network communications system

- 2009: 8% of the 39 million water meters read remotely in the US and Canada
- FPL, TECO, Duke Energy, etc. have implemented AMI systems
- 2016: estimated to grow to 26%.

Growth driver: Conservation

36 U.S. states will face water shortages according to government projections

Smart Meter Module and Traditional Meter Shipments, North America: 2009-2016



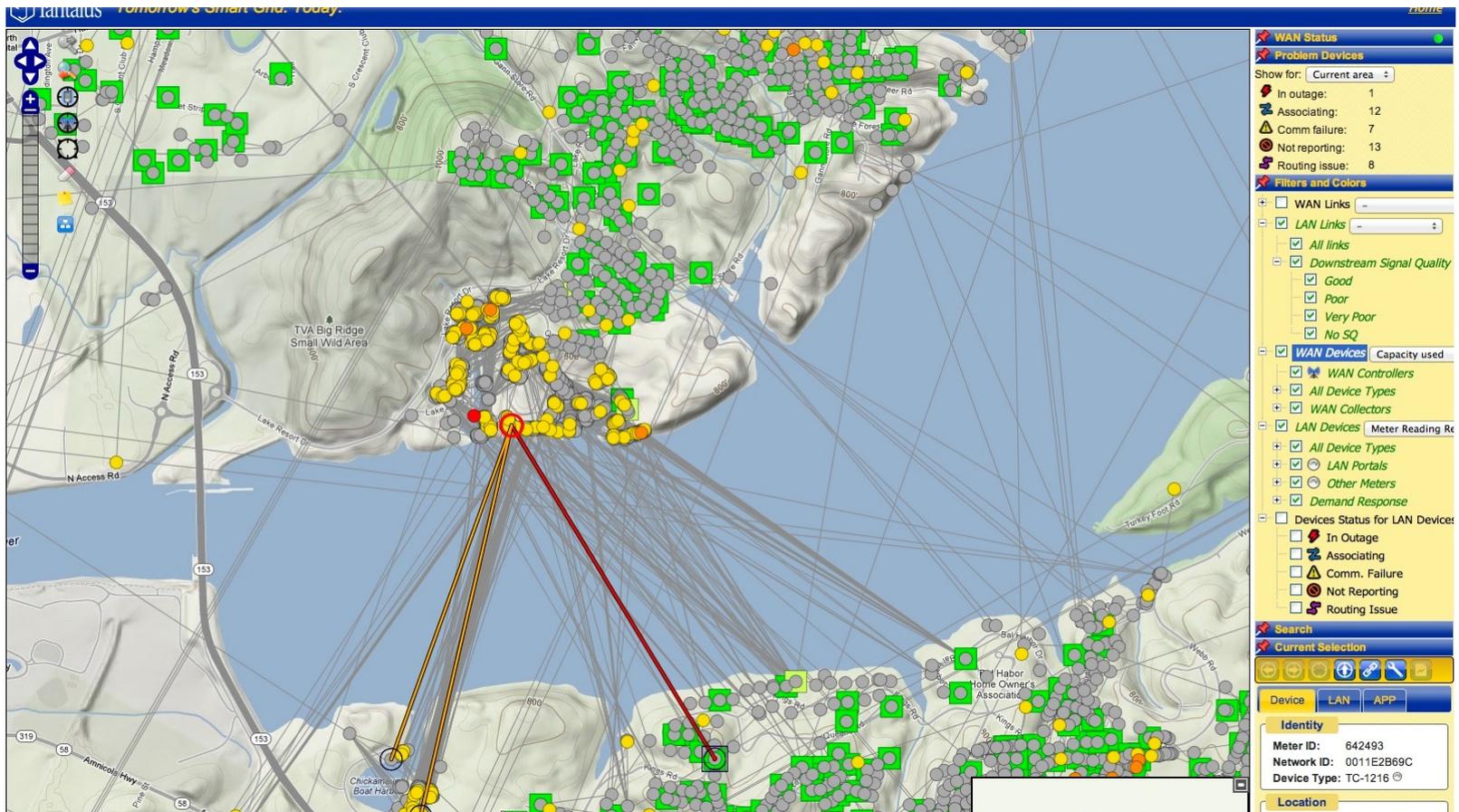
(Source: Pike Research)

AMI provides a utility with a wealth of new information and new engagement capability

- Source: Pike Research Report on Smart Water Meters Published 3Q 2010

Advanced Metering Infrastructure (AMI)

- GIS based Network Administration/Field Services tool
- Uses real-time data to quickly diagnose and mitigate system issues



Customer Education

- Available Alert
 - Daily balance
 - Low balance
 - Pending disconnect
 - Disconnect confirmation
 - Reconnect confirmation
 - Recharge

- Available delivery methods
 - Home, work or cell phone number
 - Email
 - Text message



Agenda



- Facilities Update
- Street Lighting Update
- PV Update
- Advanced Metering Infrastructure (AMI)
- **Compressed Natural Gas (CNG)**
- Questions

Compressed Natural Gas (CNG) Station

- **Fleet conversion to CNG gaining momentum since 2008**

- Approx. 12 million vehicle worldwide
- 30.6% growth / 3.7% in the U.S.
- Approx. 500 stations in the U.S.

- **Potential Location**

- Long-term City revenues \$\$\$
- Interested local partners
- Easy access to existing fuel source
- Reduce fleet fuel costs

- **Fueling Options**

- Slow-fill (over night fueling)
- Fast-fill: commercial vehicles
- Florida rebates for CNG trucks







CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

AGENDA DATE: December 9, 2014 Special Meeting

DEPARTMENT: Leisure Services

EXECUTIVE BRIEF

TITLE:

Execute the Purchase Agreement with E-Z-Go Division of Textron, Inc., for 70 golf carts for the Lake Worth Golf course

SUMMARY:

The proposed Purchase Agreement is for the purchase of 70 golf carts with trade-in value received for the City's current 70 golf carts.

BACKGROUND AND JUSTIFICATION:

This is a companion item to Resolution 70-2014 approving the Master Lease Agreement with TCF Financing.

The Lake Worth Golf Cart fleet is nearing the end of its useful life. The fleet consists of seventy (70) golf carts that were purchased in 2010/2011. The current fleet is not dependable and suffers from issues ranging from bad batteries, broken body parts, broken hinges and several other mechanical issues which create serious operational problems. Because the issues vary from cart to cart it's been a daunting task for staff to try to keep the fleet operable throughout the year.

Golf course staff have researched various options and determined purchasing new carts is in the best interests of the City. Of the sources researched, staff found the purchase via E-Z-Go, a Division of Textron, Inc., offered the City many advantages including a competitive price; excellent quality; and, a maintenance program (with weekly mechanic visits). The warranty by E-Z-Go covers all major functioning parts including the battery charger. With a routine maintenance program in place, the City can expect a golf cart life expectancy of at least four years. Other local municipal golf courses that have used the Tucson, Arizona contract include:

- City of Lake Worth
- Palm Beach County Southwinds Golf Course
- Palm Beach County Okeehelie Golf Course
- Palm Beach County Osprey Point Golf Course
- Palm Beach Gardens Municipal Golf Course
- Port St. Lucie Municipal Golf Course

The purchase is being proposed via a National IPA, national purchasing cooperative, contract (#130795) with E-Z-GO that was competitively bid by the City of Tucson, Arizona. In order to avoid paying the full purchase price this fiscal year (which is not budgeted for), E-Z-GO (as part of its National IPA contract) offers financing through a lease agreement with TCF Equipment Finance for \$289,310. The Master Lease Agreement is proposed as a 4 year lease. The first 23 months of the lease is covered by the City's proposed \$122,000 trade-in value for its existing 70 cart fleet (E-Z-Go will credit the City \$1,800 in trade-in value for 50 of our 2012 golf cars, and \$1,600 for 20 of our 2011 golf cars, which would give the City a total of \$122,000 in trade in value).

Thereafter, the City will be required to make monthly payments of \$4,848.20 for the next 25 months (the interest rate is 3.948% on the purchase price). At the end of the lease, the City may purchase the carts at fair market value or turn in the carts.

Piggy-backing the National IPA contract is authorized under the City's Procurement Code. The Master Lease Agreement is an option under the National IPA contract.

MOTION:

I move to approve/not approve the execution of the purchase agreement with EZ-Go, a Division of Textron, Inc., for the purchase of 70 new golf carts with trade-in value for the City's existing 70 golf carts.

ATTACHMENT(S):

Fiscal Impact – Not Applicable

EZ Go Piggy-Back Agreement



CITY OF LAKE WORTH

7 North Dixie Highway · Lake Worth, Florida 33460 · Phone: 561-586-1600 · Fax: 561-586-1750

AGENDA DATE: December 9, 2014, Special Meeting

DEPARTMENT: Leisure Services

EXECUTIVE BRIEF

TITLE:

Resolution No. 70-2014 - Master Lease Agreement with TCF Equipment Finance for the financing and leasing of 70 golf carts for the Lake Worth Golf course

SUMMARY:

This Resolution will authorize the financing and leasing of 70 golf carts for \$289,310.

BACKGROUND AND JUSTIFICATION:

This is a companion item to the purchase agreement with E-Z-GO, a division of Textron, Inc.

The Lake Worth Golf Cart fleet is nearing the end of its useful life. The fleet consist of seventy (70) golf carts that were purchased in 2010/2011. The current fleet is not dependable and suffers from issues ranging from bad batteries, broken body parts, broken hinges and several other mechanical issues which create serious operational problems. Because the issues vary from cart to cart it's been a daunting task for staff to try to keep the fleet operable throughout the year.

Golf course staff have researched various options and determined purchasing new carts is in the best interests of the City. Of the sources researched, staff found the purchase via E-Z-Go, a Division of Textron, Inc., offered the City many advantages including a competitive price; excellent quality; and, a maintenance program (with weekly mechanic visits). The warranty by E-Z-Go covers all major functioning parts including the battery charger. With a routine maintenance program in place, the City can expect a golf cart life expectancy of at least four years. Other local municipal golf courses that have used the Tucson, Arizona contract include:

- City of Lake Worth
- Palm Beach County Southwinds Golf Course
- Palm Beach County Okeehelie Golf Course
- Palm Beach County Osprey Point Golf Course
- Palm Beach Gardens Municipal Golf Course
- Port St. Lucie Municipal Golf Course

The purchase is being proposed via a National IPA, national purchasing cooperative, contract (#130795) with E-Z-GO that was competitively bid by the City of Tucson, Arizona. In order to avoid paying the full purchase price this fiscal year (which is not budgeted for), E-Z-GO (as part of its National IPA contract) offers financing through a lease purchase agreement with TCF Equipment Finance for \$289,310. The master lease agreement is proposed as a 4 year lease. The first 23 months of the lease is covered by the City's proposed \$122,000 trade-in value for its existing 70 cart fleet (E-Z-Go will credit the City \$1,800 in trade-in value for 50 of our 2012 golf cars, and \$1,600 for 20 of our 2011 golf cars, which would give the City a total of \$122,000 in trade in value). Thereafter, the City will be required to make monthly payments of \$4,848.20 for the next 25 months (the interest rate is 3.948% on the purchase price).

Piggy-backing the National IPA contract is authorized under the City's Procurement Code. The lease purchase agreement is an option under the National IPA contract.

MOTION:

I move to approve/not approve Resolution 70-2014 approving the execution of the Lease Purchase Agreement with TCF Equipment Finance for 70 new golf carts.

ATTACHMENT(S):

Fiscal Impact Analysis

TCF Master Lease Agreement

Resolution

FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2015	2016	2017	2018	2019
Capital Expenditures	0	0	0	0	0
Operating Expenditures	0	\$4,848	\$58,178	\$58,178	\$74,848
External Revenues	0	0	0	0	0
Program Income	0	0	0	0	0
In-kind Match	0	0	0	0	0
Net Fiscal Impact	0	4,848	58,178	58,178	78,848
No. of Addn'l Full-Time Employee Positions	0	0	0	0	0

B. Recommended Sources of Funds/Summary of Fiscal Impact:

Terms of the Lease

48 Month Municipal Lease Program (CSC)-\$1000 balloon per car-

Gross Sales Price- \$4133.00 per unit

Applying trade value to substitute for initial payments- \$1743.00 per unit

First 23 payments at \$0.00

Next 25 payments at \$69.26 per unit

Balloon Payment \$1000.00 per unit (estimated value of 4 yr old TXT48 currently \$1400-\$1600 per unit which would provide the City with a residual value of the cart of \$400-\$600 for future trade in)

Amounts will be budgeted in the Golf Fund during FY 15-16 through FY 18-19 for payments and subsequent years for re-leasing of new carts.

C. Department Fiscal Review: ___SC_____



Amendment to Master Lease Agreement

Date: December 5, 2014

The "Agreement": Master Lease Number 666203L Dated November 5, 2014

"Lessee"

City of Lake Worth, Florida, 7 North Dixie Highway, Lake Worth, FL 33460

"Lessor"

TCF Equipment Finance, a division of TCF National Bank, 1111 West San Marnan Dr, Suite A2 West, Waterloo, IA 50701-8926

All capitalized terms used but not defined in this Amendment shall have the meanings set forth or referred to in the Contract.

Upon execution of this Amendment by Lessee and Lessor, the Agreement is hereby amended as follows:

- Section 1; LEASE:** Sentence two (2), found on lines eight (8) and nine (9), which is stated as follows, is hereby amended to be deleted in its entirety:

"Lessee authorizes Lessor to add to the Schedule, or make necessary corrections to, serial numbers or other identification of the Equipment when known."

- Section 3; PAYMENTS:** This section has been hereby amended to be deleted in its entirety and replaced with the following language:

"Lessee shall pay to Lessor: (a) any Advance Rent Payment(s) and Security Deposit set forth in the Schedule, on the date Lessee signs the Schedule; and (b) the periodic Rent Payment set forth in the Schedule payable as set forth in the Schedule for the Initial Term and any renewal term. The Rent Payment in the Schedule has been indexed to the LIBOR Swap Rate (fixed rate swap for floating 90-day LIBOR) for a similar term to the Initial Term, interpolated as necessary. If such Swap Rate as of the date the final Item is accepted is more than the Swap Rate as of the date hereof, Lessor may increase the Rent Payment accordingly, and on or before the Commencement Date, Lessee will sign an amendment reflecting such increase. Lessee also shall pay all governmental fees, assessments and taxes, however designated, and any penalties or interest thereon (unless said penalties or interest is due to the fault of the Lessor), assessed on or related to the rent, this Lease or the Equipment, when due or invoiced; and all reasonable costs and charges of every kind regarding importation, shipment, delivery, installation, insurance, possession, use, lease, tax treatment, return, repossession, storage and transfer of any Item, when incurred; and if Lessor, in its discretion, pays any such amount, Lessee shall reimburse Lessor therefore, on demand. Lessor may charge a late fee of 10% of any amount not paid by Lessee within 10 days of its due date hereunder, and all interest provided for under this Lease shall accrue at 18% per annum; provided that in no event shall such late fee or such interest exceed the maximum rate or amount permitted by applicable law. Lessee will pay Lessor on demand a fee, in an amount determined by Lessor, not to exceed the maximum amount from time to time permitted by applicable law, for any check returned due to insufficient funds or stop payment. Lessor may apply payments and any security deposit to Lessee's obligations hereunder in such order as it deems appropriate, and will return any unapplied balance to Lessee without interest when all such obligations are satisfied.

- Section 5; RETURN:** Subclause (a), found on lines forty-four (44) and forty-five (45) is hereby amended to be deleted in its entirety and replaced with the following language:

"(a) the Mandatory Purchase Price related to the Item;"

- Section 7; INDEMNITY:** This section has been hereby amended to be deleted in its entirety and replaced with the following language:

"Subject to the limitations set forth in section 786.28, Florida Statutes, and as otherwise set by law, the City agrees to indemnify and hold the Lessor harmless from any and all claims, actions, damages, legal expenses (including reasonable attorneys' fees), obligations, liabilities or other amounts arising from or related to the City's negligence. The foregoing shall not be construed as consent by the City to be sued by third parties nor as a waiver of the City's sovereign immunity rights under Florida law. The foregoing is made for the benefit of Lessor and not for any third parties."

- Section 9; INSURANCE:** Clauses (a) and (b), found on lines two (2), three (3), four (4), five (5), six (6) and seven (7), are hereby amended to be deleted in their entirety and replaced with the following language:

"(a) liability for bodily injury and property damage with a minimum combined single limit of \$1,000,000.00 or such greater amount as may be prescribed by any applicable state law specifying minimum insurance requirements, and (b) loss or damage to the Equipment in an amount no less than the Equipment's full replacement value."

And sentence four (4), found on lines twelve (12), thirteen (13) and fourteen (14), which is stated as follows, is hereby amended to be deleted in its entirety:

"Lessee hereby appoints Lessor as Lessee's attorney-in-fact to make claims, receive payments and execute and endorse all documents, checks or drafts under any such policy."

6. **Section 11; REMEDIES:** The following statement is hereby amended to be added after sentence three (3), ending with deficiency:

"If the Lessor recovers any surplus, the Lessee shall have no further obligation to Lessor."

7. **Section 12; ASSIGNMENT:** Sentence two (2), found on lines three (3), four (4) and five (5), is hereby amended to be deleted in its entirety and replaced with the following language:

"Lessor may assign its interest in this Lease and sell or grant a security interest in all or any part of the Equipment with notice to Lessee."

8. **Section 13; NON-CANCELABLE, UNCONDITIONAL OBLIGATION:** Sentence two (2), found on lines two (2), three (3), four (4) and five (5), is hereby amended to be deleted in its entirety and replaced with the following language:

"This Lease is a net lease; Lessee agrees that its obligation to pay rent and other amounts payable hereunder is absolute and unconditional and shall not be subject to any abatement, reduction, setoff or defense of any kind except as provided herein."

And clause (i), found on lines five (5), six (6) and seven (7), is hereby amended to be deleted in its entirety and replaced with the following language:

"(i) Lessee grants Lessor a security interest in the Equipment to secure its obligations under this Lease and all present and future indebtedness to Lessor; and"

And clause (iii), found on line eleven (11), which is stated as follows, is hereby amended to be deleted in its entirety:

"and (iii) this Lease is made under Minn. Stat. Sec. 334.022."

And sentence six (6) and seven (7), found on lines fifteen (15), sixteen (16), seventeen (17), eighteen (18), nineteen (19) and twenty (20) are hereby amended to be deleted in their entirety and replaced with the following language:

"Lessee authorizes Lessor to file such financing statements, title certificates and instruments as Lessor deems necessary to protect Lessor's interests in the Equipment, without Lessee's signature, and, if such signature is needed, Lessee agrees to sign such items as may be reasonably required by Lessor."

9. **Section 14; TERMINATION FOR GOVERNMENTAL NON-APPROPRIATIONS:** This section is hereby amended to be deleted in its entirety and replaced with the following language:

"To the extent permitted by applicable law, Lessee agrees to take all reasonable and timely action during the Lease term to obtain and maintain fiscal appropriations sufficient to satisfy its payment obligations under the Lease (the "Obligations") which shall include requesting such Obligations in each annual budget of the Lessee which budget is subject to the review and approval of the Lessee's City Commission. Notwithstanding anything to the contrary provided in the Lease and any other documents executed by Lessee, if Lessee does not appropriate funds sufficient to make all payments due during any fiscal year under the Lease and Lessee has otherwise paid Lessor all funds that were appropriated for the current fiscal year (if any) (a "Non-Appropriation Event"), Lessee may terminate such Lease effective as of the end of Lessee's last funded fiscal year ("Termination Date") without liability for future payments or the early termination charge under such Lease or otherwise, if any, by giving at least 60 days' prior written notice of termination ("Termination Notice") to Lessor. If Lessee terminates the Lease prior to the expiration of the end of such Lease's Initial Term, or any extension or renewal thereof, as permitted under the terms of the Lease or as set forth herein or in any Schedule, Lessee shall (i) on or before the Termination Date, return the Equipment subject to the terminated Lease in accordance with the return requirements set forth in such Lease, (ii) provide in the Termination Notice a certification of a responsible official that a Non-Appropriation Event has occurred, (iii) deliver to Lessor, upon request by Lessor, an opinion of Lessee's counsel (addressed to Lessor) verifying that the Non-Appropriation Event as set forth in the Termination Notice has occurred, and (iv) pay Lessor all sums payable to Lessor under such Lease up to and including the Termination Date. Lessee acknowledges and agrees that, in the event of the termination of a Lease and the return of the Equipment as provided for herein, Lessee shall have no interest whatsoever in the Equipment or proceeds thereof and Lessor shall be entitled to retain for its own account the proceeds resulting from any disposition or re-leasing of the Equipment along with any advance rentals, security deposits or other sums previously paid by Lessee pursuant to the terms of the Lease. The termination of a Lease under this Section shall not terminate this Master Lease or any other Leases made pursuant hereto, and shall not terminate Lessee's obligation to make the required monthly payments for such Leases."

10. **Section 17; GOVERNING LAW; JURY TRIAL WAIVER:** The term "MINNESOTA" found on lines seven (7) and ten (10) is hereby replaced with term "FLORIDA".

And sentence three (3), found on lines thirteen (13), fourteen (14), fifteen (15), sixteen (16) and seventeen (17), which is stated as follows, is hereby amended to be deleted in its entirety:

"LESSEE AGREES THAT, AT LESSOR'S SOLE ELECTION AND DETERMINATION, LESSOR MAY SELECT AN ALTERNATIVE FORUM, INCLUDING ARBITRATION OR MEDIATION, TO ADJUDICATE ANY DISPUTE ARISING OUT OF THIS LEASE."

11. Section 18; MISCELLANEOUS: Sentence eleven (11), found on lines twenty-nine (29), thirty (30), thirty-one (31), thirty-two (32) and thirty-three, is hereby amended to be deleted in its entirety and replaced with the following language:

"Lessee authorizes Lessor to obtain such credit bureau reports and make such other credit inquiries with respect to Lessee as Lessor deems appropriate throughout the term of this Lease; on written request, Lessor will identify any reporting agency used for such a reports."

Except as specifically amended herein, all of the terms and conditions of the Agreement shall remain in full force and effect and are hereby ratified and affirmed.

This Amendment dated as of the date first set forth above shall not be effective until signed by Lessor.

Lessor: TCF Equipment Finance, a division of TCF National Bank By: _____ Operations - T.C.

Lessee: City of Lake Worth, Florida  By: _____ Pam Triolo, Mayor

ATTEST: _____ Approved as to form and legal sufficiency

 By: _____ Pam Lopez, City Clerk

 By: _____ Glen J. Torcivia, City Attorney



The "Master Lease": Master Lease Number 666203L Dated November 5, 2014	
"Lessee"	
City of Lake Worth, Florida, 7 North Dixie Highway, Lake Worth, FL 33460	
Fax:	E-mail: cfletcher@lakeworth.org
"Lessor"	
TCF Equipment Finance, a division of TCF National Bank, 1111 West San Marnan Dr, Suite A2 West, Waterloo, IA 50701-8926	
Fax: 319-833-4577	E-mail: customerservice@tcfef.com

Master Lease Terms and Conditions

1. LEASE. Lessee hereby agrees to lease from Lessor and, subject to satisfaction of all Lessor's requirements and no material adverse change in Lessee's condition or business, Lessor agrees to lease to Lessee the personal property, services and/or software described in one or more Schedules (each a "Schedule") to this Master Lease signed by Lessor and Lessee from time to time on the terms and conditions set forth herein and in the related Schedule (such property and services, together with all replacements, repairs, and additions thereto, collectively the "Equipment"; and each item, an "Item"). Lessee authorizes Lessor to add to the Schedule, or make necessary corrections to, serial numbers or other identification of the Equipment when known. Each Schedule incorporates the terms of this Master Lease, is considered a separate lease and shall be referred to herein as "this Lease". Capitalized terms have the meanings given to them in the Schedule or herein. If the terms of a Schedule conflict with the terms of this Master Lease, the terms of the Schedule shall control.

2. TERM. The term of this Lease with respect to each Item begins on the date Lessee accepts such Item and continues for the number of consecutive months from the Commencement Date shown in the applicable Schedule (the "Initial Term") unless earlier canceled, terminated or extended as provided herein or in the Schedule. Lessee shall promptly inspect the Equipment upon delivery and, if acceptable in all respects, execute and deliver a certificate of acceptance, in form acceptable to Lessor. Lessee authorizes Lessor to fill in the Commencement Date in the Schedule, which will be determined based on the date that the final Item thereunder is delivered to and accepted by Lessee. If the final Item is delivered and accepted between the 1st and the 15th days of a month, the Commencement Date is the 15th day of such month; if the final Item is delivered and accepted between the 16th and the last days of a month, the Commencement Date is the 1st day of the following month. The term of this Lease may be extended as provided in the applicable Schedule.

3. PAYMENTS. Lessee shall pay to Lessor: (a) any Advance Rent Payment(s) and Security Deposit set forth in the Schedule, on the date Lessee signs the Schedule; (b) the periodic Rent Payment set forth in the Schedule payable as set forth in the Schedule for the Initial Term and any renewal term; (c) interim rent for each Item from the date accepted to the Commencement Date, at the daily rate equal to the Interim Rent Daily Factor set forth in the Schedule multiplied by the portion of the Total Cost applicable to such Item payable with respect to each calendar month by the 10th day of the following month and in any event on the Commencement Date. If, for any reason, the final cost (all amounts Lessor pays in connection with the purchase, delivery and installation of the Equipment, including any trade-up and buy out amounts, and any other amounts financed, before application of any subsidies or like amounts) is more or less than the Total Cost in the Schedule (which is based on an estimate), each Rent Payment and the mandatory or optional fixed purchase price, if any, will be adjusted to provide Lessor the same yield it would have obtained if such final cost had been equal to such Total Cost. Lessee agrees that the Schedule will be amended to reflect the final Total Cost and adjusted Rent Payment and purchase price, if applicable, by (i) written notice from Lessor to Lessee for adjustments of 10% or less; or (ii) signed Amendment. The Rent Payment in the Schedule has been indexed to the LIBOR Swap Rate (fixed rate swap for floating 90-day LIBOR) for a similar term to the Initial Term, interpolated as necessary. If such Swap Rate as of the date the final Item is accepted is more than the Swap Rate as of the date hereof, Lessor may increase the Rent Payment accordingly, and on or before the Commencement Date, Lessee will sign an amendment reflecting such increase. Lessee also shall pay all governmental fees, assessments and taxes, however designated, and any penalties or interest thereon, assessed on or related to the rent, this Lease or the Equipment, when due or invoiced; and all costs and charges of every kind regarding importation, shipment, delivery, installation, insurance, possession, use, lease, tax treatment, return, repossession, storage and transfer of any Item, when incurred; and if Lessor, in its discretion, pays any such amount, Lessee shall reimburse Lessor therefore, with interest, on demand, plus Lessor's administrative and other costs of paying and invoicing such amounts. Lessor may charge a late fee of 10% of any amount not paid by Lessee within 10 days of its due date hereunder, and all interest provided for under this Lease shall accrue at 18% per annum; provided that in no event shall such late fee or such interest exceed the maximum rate or amount permitted by applicable law. Lessee may from time to time make telephonic requests for, and Lessee hereby authorizes, Lessor or its agents to make and draw checks or drafts on a checking account to be designated by Lessee, payable to Lessor or order, to pay rent and other amounts due hereunder, plus Lessor's standard per item fee for making and drawing such check or draft not to exceed the maximum amount permitted by law. Lessor may rely on such request made by any person it believes has authority to make such request on behalf of Lessee. Lessee will pay Lessor on demand a fee, in an amount determined by Lessor, not to exceed the maximum amount from time to time permitted by applicable law, for any check or automatic payment request returned due to insufficient funds or stop

payment. Lessor may apply payments and any security deposit to Lessee's obligations hereunder in such order as it deems appropriate, and will return any unapplied balance to Lessee without interest when all such obligations are satisfied.

4. USE; REPAIRS. Lessee shall use the Equipment within recommended capacities, only for its designed purposes, in compliance with all laws, regulations and ordinances. At Lessee's expense, Lessee will maintain the Equipment in good repair and working order, furnish all needed parts and services and make all modifications and improvements required by law. Lessee will not modify or improve the Equipment without Lessor's prior written consent. All parts, modifications and improvements will become Lessor's property and part of the Equipment for all purposes. Lessee shall prepare and file all tax returns that it may file under the applicable taxing jurisdiction's laws for taxes that are Lessee's responsibility hereunder, including but not limited to personal property taxes if the End of Lease Provision under the applicable Schedule is (i) "Mandatory Purchase" or (ii) "Purchase Option" and the price for such option is a dollar amount stated in such Schedule.

5. RETURN. Subject only to strict compliance with the terms of any purchase or renewal provisions which are set forth herein or in any Schedule, upon expiration or earlier cancellation or termination hereof, Lessee shall, at its sole cost and expense, return all, (not part) of such Equipment to Lessor's designee immediately upon expiration of the Initial Term and with respect to each item of Equipment, as applicable, the following must be true: All safety equipment must be in place and meet applicable federal, state and other governmental standards; All covers and guards must be in place with no sheet metal, plastic or cowl damage; All parts, pieces, components and optional equipment must be present, installed and operational; All accessories shall be returned in proper order; All motors shall operate smoothly without overheating and shall have good bearings and bushings; All electronic controls shall operate per manufacturers' specifications; Controls which bypass normal operations shall be repaired at Lessee's expense; All electrical systems shall be able to provide electrical output as specified by the manufacturer; All batteries shall be in good, safe operating condition with no dead cells or cracked cases; Batteries shall hold a charge and provide adequate power to operate the Equipment; All Equipment shall have serviceable tires, with 50% remaining tread, retaining proper air pressure, and without repair patches; All oil and grease seals must contain lubrication in the manufacturer's designed reservoir; All Equipment must have a relatively clean appearance; All Equipment must be free from excessive wear necessitating major component repair or replacement caused by lack of recommended maintenance detailed in Equipment operation/maintenance manuals; All Equipment shall be free from structural damage or bent frames; Any usage or metering devices must not have been altered in any way; All Equipment attachments, if any, must be in good operating condition; All hydraulic cylinders must not be bent, nicked, gouged or leaking. If the Equipment is an electric golf car, then in addition to the above return provisions: (i) the golf car must be able to transport two (2) people and their golf clubs; (ii) all batteries and battery terminals must be clean, free of corrosion and have proper battery water levels; and (iii) each golf car must include operable battery chargers. Additionally, all Equipment must be able to complete the following tests: operate normally in forward and reverse directions through all its speed ranges or gears, steer normally right and left in both forward and reverse, have all functions and controls work in a normal manner, be able to stop with its service brakes in a safe distance in both forward and reverse, operate without leaking any fluids, perform its designed functions in a satisfactory manner, and all cutting units (if applicable) must be able to lower, turn on, run, raise and shut off as they are designed to do. If any Equipment is damaged or does not meet the standards set forth above for the return condition of such Equipment or if Lessee fails to discharge Lessee's obligations set forth under this Master Lease and/or a Lease with regard to any Equipment, Lessee shall remit to Lessor, immediately upon demand, the Stipulated Loss Value of such Equipment. The "Stipulated Loss Value" for a particular Item shall be an amount equal to: (i) the total of all monthly payments and other amounts, if any, due under the Lease with respect to such Item as of the date of payment of the Stipulated Loss Value, plus (ii) all rent not yet due for the Item for the remaining term of this Lease, discounted from their respective due dates at the rate of 3% per annum, plus (iii) the greater of (a) the Mandatory Purchase Price related to the Item; (b) the Item's "Anticipated Residual Value" as determined by Lessor's books at the Commencement Date; or (c) 10% of the original Total Cost related to the Item. Return Condition Standards applicable when the Equipment is Golf Cars. The Return Condition Standards for golf cars are as follows: (a) Equipment must start, stop, and turn properly; (b) Mechanically, all Equipment must be in operable condition upon return and capable of being driven onto a transporter; (c) Cosmetically, all Equipment and component parts are to be returned operable and complete according to the original state, reasonable wear and tear expected; (d) All equipment shall have serviceable tires, with 50% remaining tread, retaining proper air

pressure, and without repair patches; (e) All gauges will be operative and all fluid levels to manufacturer's specifications; and, (f) if the Equipment is an electric golf car, then in addition to the other Return Condition Standards: (i) the golf car must be able to transport two (2) people and their golf clubs; (ii) all batteries and battery terminals must be clean, free of corrosion and have proper battery water levels; and, (iii) each golf car must include operable battery chargers. Any missing Equipment and parts or damage to the Equipment will result in a separate billing at replacement cost or fair market value. Until properly returned, all Lease terms shall apply, including without limitation all Lessee's rent, insurance and maintenance obligations.

6. **DISCLAIMERS.** LESSOR MAKES NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF, THE ABSENCE OF ANY CLAIM OF INFRINGEMENT OR THE LIKE WITH RESPECT TO, OR ANY OTHER MATTER CONCERNING, THE EQUIPMENT, AND EXPRESSLY DISCLAIMS ANY SUCH WARRANTIES AND ANY OTHER WARRANTIES IMPLIED BY LAW. LESSEE HEREBY WAIVES ALL CLAIMS AGAINST LESSOR FOR ANY LOSS, DAMAGE OR EXPENSE CAUSED BY THE EQUIPMENT OR ANY DEFECT THEREIN, OR BY THE DELIVERY, INSTALLATION, USE, MAINTENANCE OR SERVICING OF OR ADJUSTMENT TO THE EQUIPMENT. AS TO LESSOR, LESSEE LEASES THE EQUIPMENT AS-IS, WITH ALL FAULTS, WITHOUT WARRANTY OF ANY KIND. Lessee acknowledges that: Lessor is not a dealer or manufacturer of equipment of any kind; is not the seller of the Equipment; each Item is of a type, size, design and capacity selected solely by Lessee; and this Lease is a "finance lease" under UCC Article 2A in all respects. To the extent permitted by law, Lessee unconditionally and irrevocably waives any and all rights and remedies against Lessor at law or in equity (including, without limitation, any rights and remedies granted Lessee under Article 2A of the Uniform Commercial Code and/or the right to reject any Equipment or repudiate this Lease).

7. **INDEMNITY.** To the extent permitted by law, Lessee shall indemnify and hold Lessor harmless from any and all claims, actions, damages, legal expenses (including reasonable attorneys' fees), obligations, liabilities, liens, fines, penalties or other amounts arising out of the manufacture, purchase, lease, use, condition, possession, ownership, operation or return of any Equipment, or in connection with latent or other defects, or any claim for patent, trademark or copyright infringement, including any strict liability claims, whether arising by operation of law, or with or without Lessee's fault or negligence or failure to comply with the terms hereof, and as a result of any lien, encumbrance or claim made on the Equipment by anyone, including Lessee's employees and agents, imposed or incurred by or asserted against Lessor, its successors or assigns. At Lessor's option, Lessee shall assume full responsibility for the defense of any indemnified claim.

8. **LOSS.** Lessee shall bear the entire risk of loss, theft, damage or destruction of any or all Items from any cause whatsoever ("Loss"); and no Loss shall relieve Lessee of any rent payment or other obligation hereunder. If Lessor determines that any Item has suffered an irreparable Loss, Lessee will either (i) replace the Item with like equipment (of the same year, make, model and accessories) in good repair, condition and working order; or (ii) pay Lessor the Stipulated Loss Value for such Item.

9. **INSURANCE.** With respect to the Equipment, Lessee shall pay for and maintain, and furnish Lessor a certificate evidencing, insurance insuring against: (a) liability for bodily injury and property damage with a minimum combined single limit of \$1,000,000.00 or such greater amount as may be prescribed by any applicable state law specifying minimum insurance requirements, with Lessor as additional insured, and (b) loss or damage to the Equipment in an amount no less than the Equipment's full replacement value, with Lessor as loss payee. Each insurance policy shall be in such form, including a maximum deductible, and with such insurers as Lessor may accept, shall require the insurer to give Lessor at least 30 days' prior written notice of any cancellation or change in terms, and shall specify that no action or misrepresentation by Lessee will affect Lessor's coverage. Lessor has no duty to verify or notify Lessee that any such policy exists or is free of defects. Lessee hereby appoints Lessor as Lessee's attorney-in-fact to make claims, receive payments and execute and endorse all documents, checks or drafts under any such policy. If Lessee fails to maintain, pay for or provide Lessor with evidence of the required insurance, Lessor may, but is not obligated to, obtain insurance covering Lessor's interest in the Equipment from an insurer of Lessor's choice. Lessor may charge Lessee the costs of acquiring and maintaining such insurance, and a fee for Lessor's services (collectively, "Insurance Charge"). At its discretion, Lessor may allocate the Insurance Charge to the remaining Rent Payments, which Lessee will pay with interest on such allocation. Nothing in this Lease will create an insurance relationship of any type between Lessor and any other person.

10. **DEFAULT.** Each of the following is an "Event of Default" hereunder: (a) Lessee fails to pay any rent or other payment required hereunder when due; (b) Lessee fails to comply with any other covenant or agreement hereunder and such failure continues for 10 days after notice by Lessor; (c) Lessee defaults under any other obligation to Lessor; (d) Lessee or any guarantor of this Lease ("Guarantor"), or any partner of Lessee ("Partner") if Lessee is a partnership, ceases doing business as a going concern or makes an assignment for the benefit of creditors; (e) Lessee or any Guarantor or Partner admits in writing an inability to pay debts as they come due, voluntarily files or has filed against it involuntarily a petition under the federal Bankruptcy Code or any other present or future federal or state bankruptcy or insolvency law, or a trustee, receiver or liquidator is appointed for it or for all or a substantial part of its assets; (f) any individual Lessee, Guarantor or Partner dies; (g) any material indebtedness of Lessee or any Guarantor is accelerated or payment in full thereof is demanded; (h) Lessee or any Guarantor consolidates with, merges into or transfers all or substantially all its assets to another entity or individual; or (i) Lessee fails to occupy the premises where any Item is

located, or the mortgagee or owner of such premises asserts the right to take possession thereof or exercise eviction or other remedies under the mortgage or lease of such premises.

11. **REMEDIES.** At any time on or after an Event of Default, Lessor may in its sole discretion, with or without canceling or terminating this Lease, exercise one or more of the following remedies: (a) on written notice to Lessee, cancel or terminate this Lease; (b) declare immediately due and payable and recover from Lessee the sum of all rent and other amounts then due in the current fiscal year; (c) enforce performance of, and/or recover damages for the breach of, Lessee's covenants; (d) repossess the Equipment wherever located, without notice or legal process; (e) exercise any other right or remedy available by law or agreement. Upon repossession, Lessor may retain the Equipment in full satisfaction of Lessee's obligations or may use reasonable efforts to sell or lease the Equipment in a manner and on terms as deemed appropriate by Lessor. Lessor will be entitled to any surplus and Lessee will be liable for any deficiency. Lessor may recover legal fees and other expenses incurred due to an Event of Default or the exercise of any remedy hereunder, including costs of repossession, repair, storage, transportation and disposition of the Equipment. No remedy shall be exclusive, and each shall be cumulative to the extent necessary for Lessor to recover amounts for which Lessee is liable hereunder.

12. **ASSIGNMENT.** Without Lessor's prior written consent, Lessee will not sell, assign, sublet, pledge or otherwise encumber or permit a lien arising through Lessee to exist against any interest in this Lease or the Equipment. Lessor may assign its interest in this Lease and sell or grant a security interest in all or any part of the Equipment without notice to or consent of Lessee. Lessee agrees not to assert against any assignee of Lessor any claim or defense Lessee may have against Lessor.

13. **NON-CANCELABLE, UNCONDITIONAL OBLIGATION.** This Lease cannot be canceled or terminated except as expressly provided herein. This Lease is a net lease; Lessee agrees that its obligation to pay rent and other amounts payable hereunder is absolute and unconditional and shall not be subject to any abatement, reduction, setoff or defense of any kind. If this Lease is deemed to be a lease intended as security, (i) Lessee grants Lessor a security interest in the Equipment to secure its obligations under this Lease and all present and future indebtedness to Lessor; (ii) this Lease shall be construed so that interest, the applicable interest rate or other charges shall not exceed the maximum time price differential, rate, interest or amount allowed by applicable law, and any excess payment will be applied first to prepay principal hereunder and then as a refund to Lessee; and (iii) this Lease is made under Minn. Stat. Sec. 334.022. The Equipment shall at all times remain Lessor's property, and Lessee's only right, title or interest therein shall be as set forth herein. At its expense, Lessee shall protect and defend Lessor's title and interest and keep the Equipment free of all claims and liens except those created by or arising through Lessor. Lessee authorizes Lessor to file such financing statements, title certificates and instruments as Lessor deems necessary to protect Lessor's interests in the Equipment, without Lessee's signature, and, if such signature is needed, Lessee appoints Lessor as Lessee's attorney-in-fact to sign such items in Lessee's name. Lessee will reimburse Lessor's costs with respect thereto on demand. Lessee's exact legal name is as shown above and Lessee represents and warrants to Lessor that as of the date hereof, and throughout the term of the Lease: (a) Lessee is a political subdivision of the state or commonwealth in which it is located and is organized and existing under the constitution and laws of such state or commonwealth; (b) Lessee has complied, and will comply, fully with all applicable laws, rules, ordinances, and regulations governing open meetings, public bidding and appropriations required in connection with the Lease, the performance of its obligations under the Lease and the acquisition and use of the Equipment; (c) the person(s) signing the Lease and any other documents required to be delivered in connection with the Lease (collectively, the "Documents") have the authority to do so, are acting with the full authorization of Lessee's governing body, and hold the offices indicated below their signatures, each of which are genuine; (d) the Documents are and will remain valid, legal and binding Leases, and are and will remain enforceable against Lessee in accordance with their terms; and (e) the Equipment is essential to the immediate performance of a governmental or proprietary function by Lessee within the scope of its authority and will be used during the term of the Lease only by Lessee and only to perform such function. Lessee further represents and warrants to Lessor that, as of the date each item of Equipment becomes subject to the Lease and any applicable Schedule, it has funds available to pay all Lease payments payable thereunder until the end of Lessee's then current fiscal year, and, in this regard and upon Lessor's request, Lessee shall deliver in a form acceptable to Lessor a resolution enacted by Lessee's governing body, authorizing the appropriation of funds for the payment of Lessee's obligations under the Lease during Lessee's then current fiscal year. Lessor may inspect the Equipment and Lessee's records related thereto at any time during business hours. All representations, warranties and indemnities of Lessee made or agreed to in or in connection with this Lease shall survive expiration, cancellation or termination of this Lease.

14. **TERMINATION FOR GOVERNMENTAL NON-APPROPRIATIONS.** To the extent permitted by applicable law, Lessee agrees to take all necessary and timely action during the Lease term to obtain and maintain funds appropriations sufficient to satisfy its payment obligations under the Lease (the "Obligations"), including, without limitation, providing for the Obligations in each budget submitted to obtain applicable appropriations, causing approval of such budget, and exhausting all available reviews and appeals if an appropriation sufficient to satisfy the Obligations is not made. Notwithstanding anything to the contrary provided in the Lease, if Lessee does not appropriate funds sufficient to make all payments due during any fiscal year under the Lease and Lessee does not otherwise have funds available to lawfully pay the Lease payments (a "Non-Appropriation Event"), and provided Lessee is not in default of any of Lessee's obligations under such Lease as of the effective date of such termination,

Lessee may terminate such Lease effective as of the end of Lessee's last funded fiscal year ("Termination Date") without liability for future payments or the early termination charge under such Lease, if any, by giving at least 60 days' prior written notice of termination ("Termination Notice") to Lessor. If Lessee terminates the Lease prior to the expiration of the end of such Lease's Initial Term, or any extension or renewal thereof, as permitted under the terms of the Lease or as set forth herein or in any Schedule, Lessee shall (i) on or before the Termination Date, return the Equipment subject to the terminated Lease in accordance with the return requirements set forth in such Lease, (ii) provide in the Termination Notice a certification of a responsible official that a Non-Appropriation Event has occurred, (iii) deliver to Lessor, upon request by Lessor, an opinion of Lessee's counsel (addressed to Lessor) verifying that the Non-Appropriation Event as set forth in the Termination Notice has occurred, and (iv) pay Lessor all sums payable to Lessor under such Lease up to and including the Termination Date. Lessee acknowledges and agrees that, in the event of the termination of a Lease and the return of the Equipment as provided for herein, Lessee shall have no interest whatsoever in the Equipment or proceeds thereof and Lessor shall be entitled to retain for its own account the proceeds resulting from any disposition or re-leasing of the Equipment along with any advance rentals, security deposits or other sums previously paid by Lessee pursuant to the terms of the Lease. The termination of a Lease under this Section shall not terminate this Master Lease or any other Leases made pursuant hereto, and shall not terminate Lessee's obligation to make the required monthly payments for such Leases.

15. **DELIVERY OF CERTAIN DOCUMENTS AND RELATED REQUIREMENTS.** Lessee will execute or provide, as requested by Lessor, annual budget and financial information and such other documents and information, including an opinion of Lessee's counsel as to the validity and enforceability of this Master Lease and any Schedules, as are reasonably necessary with respect to the transaction contemplated by this Lease. If Lessee is a "Registered Organization" (as such term is defined in the UCC), then Lessee will: (i) upon request of Lessor, provide copies of its applicable registered organization documents; and (ii) not change its legal name or its chief executive office or state of organization, without, in each case, giving Lessor at least 30 days' prior written notice of any such event.

16. **EXCESS USAGE AND SUPPLEMENTAL RENTALS (APPLICABLE TO TURF CARE AND MAINTENANCE EQUIPMENT ONLY).** At the end of the Initial Term, Lessee shall remit to Lessor \$5.00 per hour on each Item that has hourly use in excess of the maximum hours as indicated on the applicable Schedule. Lessee shall remit such amounts within ten (10) days of Lessor's written demand. The hours of use of an Item shall be determined by the hour meter attached to said Item, provided that such meter remains operable and accurate. If any such hour meter becomes inoperable or inaccurate, Lessee shall immediately repair or replace same, and shall immediately notify Lessor in writing of such event and of the correct hours of usage of the Item during the period of time the hour meter was inoperable or inaccurate. Lessee shall promptly furnish Lessor such information as Lessor may reasonably request from time to time in order to document the hours of usage of the Equipment.

17. **GOVERNING LAW; JURY TRIAL WAIVER. THIS LEASE, AND ALL MATTERS OF THIS LEASE, INCLUDING ALL INTEREST AND FINANCE CHARGES HEREUNDER, SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, FEDERAL LAW AND, TO THE EXTENT NOT PREEMPTED BY FEDERAL LAW, BY THE LAWS OF THE STATE OF MINNESOTA (EXCLUDING CONFLICTS LAWS). LESSEE HEREBY CONSENTS TO JURISDICTION AND VENUE OF THE FEDERAL OR STATE COURTS SITTING IN THE STATE OF MINNESOTA FOR RESOLUTION OF ALL DISPUTES OF ANY NATURE WHATSOEVER REGARDING THIS LEASE OR ANY**

TRANSACTION CONTEMPLATED HEREBY. LESSEE AGREES THAT, AT LESSOR'S SOLE ELECTION AND DETERMINATION, LESSOR MAY SELECT AN ALTERNATIVE FORUM, INCLUDING ARBITRATION OR MEDIATION, TO ADJUDICATE ANY DISPUTE ARISING OUT OF THIS LEASE. THE PARTIES HERETO, AFTER CONSULTING (OR HAVING HAD AN OPPORTUNITY TO CONSULT) WITH COUNSEL OF THEIR CHOICE, KNOWINGLY AND VOLUNTARILY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO THIS LEASE, INCLUDING ANY ACTION TO ENFORCE THIS LEASE OR ANY RELATED AGREEMENTS.

18. **MISCELLANEOUS.** This Lease constitutes the entire agreement between Lessee and Lessor with respect to the subject matter hereof; there is no other oral or written agreement or understanding. In Lessor's sole discretion, this Lease and other documents may be electronically copied and/or delivered by telecopier or other electronic means of transmission ("e-copy") and the e-copy of any document shall be deemed an original, and admissible as such in any court or other proceeding; provided that there shall be only one original counterpart of each Schedule, and it shall bear the original signature of Lessor and be marked "Original." To the extent a Schedule is "chattel paper", a security or ownership interest may only be created therein by transferring the "Original" bearing Lessor's original signature. If Lessor permits Lessee to deliver this lease or any related document to Lessor via facsimile or other electronic means, Lessee shall deliver to Lessor, promptly on request, such document bearing Lessee's original signature; provided that neither delivery nor failure to deliver the document bearing Lessee's original signature shall limit or modify the representations and agreements set forth above. Except as expressly set forth herein, this Lease may not be amended or modified except by a writing manually signed by the parties. Lessee shall pay Lessor's costs, fees and expenses incurred in connection with any amendment, waiver, release, cancellation or termination of this Lease or any related document, financing statement, title certificate or instrument, including but not limited to filing and recording fees. This Lease is binding on and inures to the benefit of the parties hereto, their permitted successors and assigns. Any written notice hereunder shall be deemed given when delivered personally, deposited with a nationally recognized overnight courier (with all fees pre-paid), delivered via facsimile or e-mail (with confirmation of transmission), or deposited in the United States mails, certified or registered mail, addressed to recipient at its address set forth above or such other address as may be substituted therefor by notice given pursuant to the terms hereof. Lessee hereby agrees that Lessor, including its vendors, service providers, partners, affiliates, successors and assigns, may contact Lessee at any telephone number provided to Lessor, by placing voice telephone calls (including use of automatic telephone dialing systems or prerecorded voice messaging) or, in the case of wireless telephones or other wireless devices, by sending e-mail or automated (SMS) text messages. If more than one Lessee is named herein, the obligations of each shall be joint and several. Lessee authorizes, and represents that all Lessee's principals have authorized, Lessor to obtain such credit bureau reports and make such other credit inquiries with respect to Lessee and such principals as Lessor deems appropriate throughout the term of this Lease; on written request, Lessor will identify any reporting agency used for such a reports. Lessee warrants and agrees that the Equipment is leased and will be used for business purposes only, and not for personal, family or household purposes. Our institution complies with Section 326 of the USA PATRIOT Act. This law mandates that we verify certain information about you while processing your account application.

Lessor: TCF Equipment Finance, a division of TCF National Bank By: _____ Operations - T.C.

Lessee: City of Lake Worth, Florida  By: _____ Pam Triolo, Mayor

ATTEST: _____ Approved as to form and legal sufficiency

 By: _____ Pam Lopez, City Clerk

 By: _____ Glen J. Torcivia, City Attorney



Amendment to Equipment Schedule (Fair Market Value Purchase Option)

Date: December 5, 2014
The "Contract": Lease Number 008-0666203-100 Dated October 16, 2014
"Lessee"
City of Lake Worth, Florida, 7 North Dixie Highway, Lake Worth, FL 33460
"Lessor"
TCF Equipment Finance, a division of TCF National Bank, 1111 West San Marnan Dr, Suite A2 West, Waterloo, IA 50701-8926

All capitalized terms used but not defined in this Amendment shall have the meanings set forth or referred to in the Contract. Upon execution of this Amendment by Lessee and Lessor, the Contract is hereby amended as follows:

- Section 1, sentence five (5), found on lines six (6), seven (7), eight (8) and nine (9), is hereby amended to be deleted in its entirety and replaced with the following language:

"If Lessee fails to give such notice, or gives notice but fails to return the Equipment in accordance with Section 5 of the Master Lease, this Lease will automatically renew, at the same rental and other terms set forth in this Lease, for additional successive 12-month terms after the Initial Term until timely written notice of return and proper return of the Equipment is made.

- Section 4 is hereby amended to be deleted in its entirety and replaced with the following language:

"If Lessor suffers a Tax Loss, then Lessee shall pay Lessor, as additional rent hereunder, a lump-sum amount which, after payment of all federal, state, and local income taxes on the receipt of such amount, and using the same reasonable assumptions as to tax benefits and other matters Lessor used in originally evaluating and pricing this Lease, will in Lessor's reasonable opinion maintain Lessor's net after-tax rate of return with respect to this Lease at the same level it would have been had such Tax Loss not occurred. Lessor will notify Lessee of any claim that may give rise to this provision and will make a reasonable effort to contest any such claim at the administrative level of the applicable taxing authority. Lessor shall control all aspects of any settlement and contest, and Lessee agrees to pay the legal fees and other out-of-pocket expenses thereof even if Lessor's defense is successful. Notwithstanding the foregoing, Lessee will not be obligated to Lessor for any Tax Loss caused solely by (a) a casualty Loss to the Equipment if Lessee pays the amount required under Section 8 of the Lease, (b) Lessor's sale of the Equipment other than on account of an Event of Default, (c) failure of Lessor to have sufficient income to utilize its anticipated tax benefits or to timely claim such tax benefits, and (d) tax law changes, including rates, effective after the Lease begins. Lessee's obligations hereunder shall survive cancellation and termination of this Lease unless terminated by Lessee under Section 14 of this Lease. For purposes of this paragraph, the term "Tax Loss", means Lessor's loss of, or loss of the right to claim, or recapture of, all or any part of the federal or state income tax benefits Lessor reasonably anticipated as a result of entering into this Lease and owning the Equipment; and the term "Lessor" shall include any member of an affiliated group of which Lessor is (or may become) a member if consolidated tax returns are filed for such affiliated group for federal income tax purposes.

- Section 5, which is stated as follows, is hereby added after section 4:

"The advance rent payment set forth above (for \$122,000.00) shall be made by E-Z-GO directly to Lessor. Lessee shall not be liable for said advance rent payment."

Except as specifically amended herein, all of the terms and conditions of the Contract shall remain in full force and effect and are hereby ratified and affirmed.

This Amendment dated as of the date first set forth above shall not be effective until signed by Lessor.

Lessor: TCF Equipment Finance, a division of TCF National Bank By: _____ Operations - T.C.

Lessee: City of Lake Worth, Florida  By: _____ Pam Triolo, Mayor

ATTEST:

 By: _____
Pam Lopez, City Clerk

Approved as to form and legal sufficiency

 By: _____
Glen J. Torcivia, City Attorney



Equipment Schedule (Fair Market Value Purchase Option)

The "Lease": Equipment Schedule Number 008-0666203-100 Dated November 5, 2014 to Master Lease Number 666203L Dated November 5, 2014	
"Lessee"	
City of Lake Worth, Florida, 7 North Dixie Highway, Lake Worth, FL 33460	
Contact: Chris Fletcher	Phone: (561) 533-7363
"Lessor"	
TCF Equipment Finance, a division of TCF National Bank, 1111 West San Marnan Dr, Suite A2 West, Waterloo, IA 50701-8926	

This Equipment Schedule (this "Schedule") is entered into pursuant to and incorporates the terms of the Master Lease (except as expressly modified by this Schedule) identified above between Lessor and Lessee (the "Master Lease" and, together with this Schedule, this "Lease"). All capitalized terms not otherwise defined in this Schedule have the meanings assigned in the Master Lease. Upon execution and delivery of this Schedule by Lessor and Lessee, and Lessee's acceptance of the Equipment described below, Lessor leases to Lessee and Lessee leases from Lessor the Equipment on the terms and conditions of this Lease.

SUMMARY OF TERM AND RENTAL PAYMENTS:

Commencement Date	Initial Term	Rent Payment Period	Each Rent Payment	Advance Rent Payment(s)	Interim Rent Daily Factor	Security Deposit	Total Cost
	49 Months	Monthly	1 @ \$122,000.00 23 @ \$0.00 25 @ \$4,848.20 plus applicable taxes except financed sales tax included in Total Cost	\$122,000.00 For Installments(s): First	N/A	N/A	\$289,310.00

EQUIPMENT, PERSONAL PROPERTY, SERVICES AND/OR SOFTWARE (The "Equipment"):

Description (including features)	Location
(70) 2015 EZGO Electric TXT Golf Cars together with all attachments and accessories thereto	Lake Worth Golf Club, 1 7th Avenue North, Lake Worth, FL 33460

Each Rent Payment shall be payable in advance on the Commencement Date and on the same day of each subsequent Rent Payment Period for the Initial Term and any renewal term.

The following additional provisions apply to the Equipment and this Lease only:

1. So long as this Lease has not been canceled or terminated early and no Event of Default exists, upon expiration of the Initial Term ("Lease End"), Lessee may purchase all, but not less than all, of the Equipment for the fair market value of the Equipment, as mutually determined by Lessor and Lessee, plus all sales and use taxes arising on the sale of the Equipment. To exercise the foregoing purchase option, Lessee must give written notice thereof to Lessor at least 90 days and no more than 120 days prior to Lease End. If Lessee fails to give such notice, or if the parties cannot agree on the Fair Market Value of the Equipment by 60 days before Lease End, then the purchase option shall lapse. If the purchase option lapses, then at least 30 days before Lease End or the end of any renewal term, Lessee must give Lessor notice of its intent to return the Equipment and request return location instructions. If Lessee fails to give such notice, or gives notice but fails to return the Equipment in accordance with Section 5 of the Master Lease, this Lease will automatically renew, at the same rental and other terms set forth in this Lease, for additional successive noncancelable 12-month terms after the Initial Term until timely written notice of return and proper return of the Equipment is made.
2. If Lessee gives timely notice of election to purchase the Equipment as provided in paragraph 1 and fails to timely pay the purchase price, then Lessor may, in its sole discretion, by written notice to Lessee (a) treat the Equipment as purchased and enforce payment of the purchase price, or (b) declare a failure to meet the purchase conditions whereupon Lessee's interest in the Lease and Equipment shall automatically be canceled and Lessee shall return the Equipment in accordance with Section 5 of the Master Lease.
3. Upon Lessee's exercise of the purchase option and Lessor's receipt of the purchase price plus applicable sales and use tax and any rent or other amount owing under this Lease, the Equipment will be deemed transferred to Lessee at its then location and, on Lessee's request at such time, Lessor will deliver to Lessee a bill of sale for the Equipment, "WHERE IS, AS IS" WITHOUT ANY WARRANTY AS TO TITLE OR WITH RESPECT TO THE EQUIPMENT, EXPRESS OR IMPLIED.
4. If Lessor suffers a Tax Loss because, for federal or state income tax purposes, for any reason, this Lease is not a true lease or Lessor otherwise is not entitled to depreciate the Equipment in the manner Lessor anticipated when entering into this Lease, then Lessee shall pay Lessor, as additional rent hereunder, a lump-sum amount which, after payment of all federal, state, and local income taxes on the receipt of such amount, and using the same assumptions as to tax benefits and other matters Lessor used in originally evaluating and pricing this Lease, will in Lessor's reasonable opinion maintain Lessor's net after-tax rate of return with respect to this Lease at the same level it would have been had such Tax Loss not occurred. Lessor will notify Lessee of any claim that may give rise to indemnity hereunder and will make a reasonable effort to contest any such claim at the administrative level of the applicable taxing authority. Lessor shall control all aspects of any settlement and contest, and Lessee agrees to pay the legal fees and other out-of-pocket expenses thereof even if Lessor's defense is successful. Notwithstanding the foregoing, Lessee will not be obligated to indemnify Lessor for any Tax Loss caused solely by (a) a casualty Loss to the Equipment if Lessee pays the amount required under Section 8 of the Master Lease, (b) Lessor's sale of the Equipment other than on account of an Event of Default, (c) failure of Lessor to have sufficient income to utilize its anticipated tax benefits or to timely claim such tax benefits, and (d) tax law changes, including rates, effective after the Lease begins. Lessee's indemnity obligations hereunder shall survive cancellation and termination of this Lease. For purposes of this paragraph, the term "Tax Loss", means Lessor's loss of, or loss of the right to claim, or recapture of, all or any part of the federal or state income tax benefits Lessor anticipated as a result of entering into this Lease and owning the Equipment; and the term "Lessor" shall include any member of an affiliated group of which Lessor is (or may become) a member if consolidated tax returns are filed for such affiliated group for federal income tax purposes.

Lessor: TCF Equipment Finance, a division of TCF National Bank

By: _____

Operations - T.C.

Lessee: City of Lake Worth, Florida



By: _____

Pam Triolo, Mayor

ATTEST:

Approved as to form and legal sufficiency



By: _____
Pam Lopez, City Clerk



By: _____
Glen J. Torcivia, City Attorney

OPINION OF COUNSEL

(To be on Attorney's Letterhead)

Date:

Lessee: City of Lake Worth, Florida
7 North Dixie Highway,
Lake Worth, FL 33460

Lessor: TCF Equipment Finance, a division of TCF National Bank
1111 West San Marnan Dr, Suite A2 West
Waterloo, IA 50701-8926

Re: Contract 008-0666203-100, dated as of November 5, 2014, by and between City of Lake Worth, Florida and Lessor

Ladies and Gentlemen:

I have acted as counsel to Lessee with respect to the contract described above (the "Lease") and various related matters, and in this capacity have reviewed a duplicate original or certified copy of the Lease and exhibits thereto. Based upon the examination of these and such other documents as I deem relevant, it is my opinion that:

1. Lessee is a public corporation and political subdivision of the State of Florida (the "State") duly organized, existing and operating under the Constitution and laws of the State. The full, true and correct legal name of Lessee is _____.
2. The Uniform Commercial Code, as adopted in the State (the "UCC"), and no other statute of the State, governs the creation, perfection, priority or enforcement of a security interest created by Lessee.
3. Lessee is authorized and has power under State law to enter into the Lease, and to carry out its obligations thereunder and the transactions contemplated thereby.
4. The Lease and the other documents described above have been duly authorized, approved, executed and delivered by and on behalf of Lessee, and the Lease is a valid and binding contract of Lessee enforceable in accordance with its terms, except to the extent limited by State and Federal laws affecting remedies and by bankruptcy, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights.
5. The authorization, approval and execution of the Lease and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable State and Federal laws.
6. The execution of the Lease and the annual appropriation of moneys to pay the payments coming due under the Lease do not result in the violation of any constitutional, statutory or other limitation relating to the manner, form or amount of indebtedness which may be incurred by Lessee.
7. There is no litigation, action, suit, or proceeding pending or before any court, administrative agency, arbitrator or governmental body, that challenges the organization or existence of Lessee; the authority of the organization or existence of Lessee; the authority of its officers; the proper authorization, approval and execution of the Lease and the other documents described above; the appropriation of monies to make Rental Payments under the Lease for the current fiscal year, or the ability of Lessee otherwise to perform its obligations under the Lease and the transactions contemplated thereby.

This opinion of counsel may be relied upon by Lessor and its successors and assigns.

Very truly yours,



Insurance Certificate Request

11100 Wayzata Blvd, Suite 801 Minnetonka, MN 55305

To	To Whom It May Concern	From	Marisa Meyers
Company		Fax	(866) 465-3149
Fax		Phone	(800) 215-4738 x
Phone		Email	mmeyers@tcfef.com
Subject	INSURANCE CERTIFICATE REQUEST	Date	November 5, 2014

Message:

Our mutual customer, City of Lake Worth, Florida, is leasing equipment through TCF Equipment Finance, a division of TCF National Bank. We are in need of an INSURANCE CERTIFICATE for the equipment leased prior to us closing out their transaction. Please see below for specifics. Thanks!

Please include the following items on the certificate:

<p>1. INSURED: City of Lake Worth, Florida, 7 North Dixie Highway, Lake Worth, FL 33460</p>
<p>2. COVERAGES:</p> <ul style="list-style-type: none"> • Liability Insurance – Minimum \$1,000,000.00 per occurrence in Combined Single Limit or such greater minimum as may be prescribed by any applicable state law specifying minimum insurance requirements. <ul style="list-style-type: none"> ➢ Policy Number ➢ Policy Effective Date & Policy Expiration Date • Property Damage – Cost: \$289,310.00 or ACV <ul style="list-style-type: none"> ➢ Comprehensive & Collision Deductibles (if applicable) or Physical Damage Deductible (Shall not exceed \$10,000 or 10% of Total Cost) ➢ Policy Number ➢ Policy Effective Date & Policy Expiration Date
<p>3. DESCRIPTION OF EQUIPMENT: (70) 2015 EZGO Electric TXT Golf Cars together with all attachments and accessories thereto Or reference: “Leased Equipment on TCF Contract Number 008-0666203-100”, if the description is too long</p>

If you have any questions, please feel free to contact me. Please send the certificate to my attention as soon as possible to mmeyers@tcfef.com or fax to (866) 465-3149. Thank you!

Marisa Meyers

Transaction Coordinator

TCF Equipment Finance, a division of TCF National Bank, 1111 West San Marnan Dr, Suite A2 West, Waterloo, IA 50701-8926

CERTIFICATE OF INCUMBENCY
LEASE-PURCHASE AGREEMENT NO. 008-0666203-100
DATED AS OF October 16, 2014

 I, _____, do hereby certify that I am the duly elected or appointed and acting Clerk of City of Lake Worth, Florida (the "Lessee"), a political subdivision duly organized and existing under the laws of the State of Florida, and that, as of the date hereof, the individuals named below are the duly elected or appointed officers of the Lessee holding the offices set forth opposite their respective names.

NAME	TITLE	SIGNATURE
 _____	_____	_____
_____	_____	_____

 IN WITNESS WHEREOF, I have duly executed this certificate this _____ day of _____, 20____.

 Signed: _____

 Title: _____

NOTE: The Clerk or Secretary to the Board should sign unless that person is also the signor of the documents in which case the Board President or some other Officer of the District should execute this document.



Delivery and Acceptance

"Lessee"
City of Lake Worth, Florida, 7 North Dixie Highway, Lake Worth, FL 33460
"Lessor"
TCF Equipment Finance, a division of TCF National Bank, 1111 West San Marnan Dr, Suite A2 West, Waterloo, IA 50701-8926

Delivery and Acceptance agreement attached to and made a part of Lease **008-0666203-100** dated **November 5, 2014** (the "Lease").

This Certificate relates to the Equipment (the "Equipment") that is described in the Lease.

Pursuant to the Lease, Lessee acknowledges that Lessor has acquired the Equipment in connection with the Lease and Lessee has either received a copy of the purchase agreement with the vendor of the Equipment on or before signing the Lease or has approved such purchase. Lessee hereby represents, warrants and certifies that (i) all of the Equipment has been delivered to Lessee at the Equipment Location set forth in the Lease and has been installed, tested and inspected by Lessee or duly authorized representatives of Lessee, (ii) the Equipment Description set forth in the Lease is complete and correct, (iii) the Equipment, together with any supporting documentation, is exactly what Lessee ordered, is in good working order, is satisfactory in all respects and has been accepted by Lessee under the Lease as of the Acceptance Date set forth below, and (iv) there has been no adverse change in the business or financial condition of Lessee or any guarantor of the Lease since the day the most recent financial statement of Lessee or any guarantor was submitted to Lessor. If Lessee has made a deposit to the Equipment vendor(s), by signing this Certificate, Lessee hereby transfers all of Lessee's right, title and interest in and to the Equipment to Lessor, except to the extent set forth in the Lease, whether or not Lessee has been reimbursed for the deposit(s).

IMPORTANT: LESSEE SHOULD SIGN THIS CERTIFICATE ONLY AFTER LESSEE HAS RECEIVED AND IS COMPLETELY SATISFIED WITH THE EQUIPMENT. BY SIGNING THIS CERTIFICATE, LESSEE (1) IS IRREVOCABLY ACCEPTING THE EQUIPMENT, (2) BECOMES ABSOLUTELY AND IRREVOCABLY OBLIGATED TO LESSOR UNDER THE LEASE, AND (3) MAY NOT THEREAFTER REJECT THE EQUIPMENT, CANCEL OR TERMINATE THE LEASE OR DENY ANY STATEMENT MADE IN THIS CERTIFICATE, FOR ANY REASON WHATSOEVER, EXCEPT AS PROVIDED IN THE LEASE.

X Acceptance Date: _____

Lessee: City of Lake Worth, Florida

X By: _____ Title: _____

X Printed Name: _____

Please Complete and return this document by Fax to 800-741-8079 upon delivery and acceptance of the financed Equipment.