

CITY OF COLUMBIA, ILLINOIS

ORDINANCE NO. 2878

**AN ORDINANCE TO AUTHORIZE THE CITY OF COLUMBIA,
ILLINOIS, TO ENTER INTO A DISPATCHING SERVICES
AGREEMENT, A LEASE-PURCHASE AGREEMENT, AND A
LEASE BETWEEN THE CITY OF COLUMBIA, ILLINOIS AND
THE COLUMBIA FIRE PROTECTION DISTRICT**

**Adopted by the
City Council
of the
City of Columbia, Illinois
this 20th day of June, 2011**

**Published in pamphlet form by
authority of the City Council
of the City of Columbia,
Illinois, this 20th day
of June, 2011**

JUN 20 2011

J. Ronald Colyer
City Clerk

ORDINANCE NO. 2878

AN ORDINANCE TO AUTHORIZE THE CITY OF COLUMBIA, ILLINOIS, TO ENTER INTO A DISPATCHING SERVICES AGREEMENT, A LEASE-PURCHASE AGREEMENT, AND A LEASE BETWEEN THE CITY OF COLUMBIA, ILLINOIS AND THE COLUMBIA FIRE PROTECTION DISTRICT

WHEREAS, the City Council of the City of Columbia, Illinois (“City”) found, determined, and declared that it was in the City’s best interests and appropriate to enter into an intergovernmental agreement with the Columbia Rural Fire Protection District (“District”) concerning the annexation of City into District; and

WHEREAS, the City passed Ordinance No. 2833 on December 20, 2010, for the purpose of authorizing the City to enter into such intergovernmental agreement.

WHEREAS, said intergovernmental agreement required the City and District to enter into a Dispatching Services Agreement, a Lease-Purchase Agreement for the Platform apparatus, and a Lease for the fire station.

WHEREAS, it is necessary and appropriate that this Ordinance be enacted for the purpose of authorizing the City to enter into such agreements and the lease.

NOW, THEREFORE, BE IT ORDAINED, by the City Council of the City of Columbia, Illinois, as follows:

Section 1. The recitals contained above in the preamble of this Ordinance are hereby incorporated herein by reference, the same as if set forth in this Section of this Ordinance verbatim, as findings of the City Council of the City of Columbia, Illinois.

Section 2. The City Council of the City of Columbia, Illinois, does hereby authorize and direct the Mayor to execute and deliver the Dispatching Services Agreement, Lease-Purchase Agreement for the Platform apparatus, and fire station Lease between the City of Columbia, Illinois and the Columbia Fire Protection District, in the forms attached hereto, as Exhibits A, B, and C, respectively, which said Agreements and Lease are hereby approved as to form, in as many counterparts as the Mayor shall determine, and the City Clerk is hereby authorized and directed to attest the same and affix thereto the corporate seal of the City.

Section 3. This Ordinance shall be in full force and effect following its passage and publication in pamphlet form, as provided by law.

Alderman Huch moved the adoption of the above and foregoing Ordinance; the motion was seconded by Alderman Roessler, and the roll call vote was as follows:


YEAS: Aldermen Ebersohl, Agne, Niemietz, Roessler, Huch, Mathews, Piazza
and Reis.

NAYS: None.

ABSENT: None.

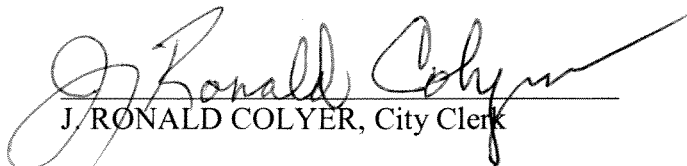
ABSTENTIONS: None.

PASSED by the City Council and APPROVED by the Mayor this 20th day of June, 2011.



KEVIN B. HUTCHINSON, Mayor

ATTEST:



J. RONALD COLYER, City Clerk

(SEAL)

STATE OF ILLINOIS)
) SS
COUNTY OF MONROE)

CERTIFICATE OF TRUE COPY

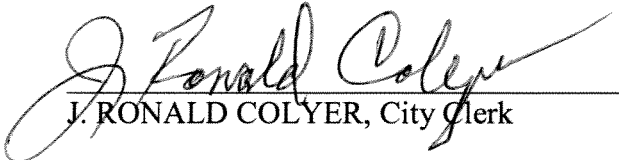
I, J. Ronald Colyer, hereby certify that I am the duly elected and acting City Clerk of the City of Columbia, Illinois, and as such I am the keeper of the books, records, files and corporate seal of said City.

I do further certify that Ordinance No. 2878, entitled:

“AN ORDINANCE TO AUTHORIZE THE CITY OF COLUMBIA, ILLINOIS, TO ENTER INTO A DISPATCHING SERVICES AGREEMENT, A LEASE-PURCHASE AGREEMENT, AND A LEASE BETWEEN THE CITY OF COLUMBIA, ILLINOIS AND THE COLUMBIA FIRE PROTECTION DISTRICT”

to which this certificate is attached, is a true, perfect, complete and correct copy of said ordinance as adopted at a regular meeting of the Columbia, Illinois, City Council held on the 20th day of June, 2011.

IN WITNESS WHEREOF, I have made and delivered this certificate for the uses and purposes hereinabove set forth this 20th day of June, 2011.



J. RONALD COLYER, City Clerk

(SEAL)

Exhibit A

DISPATCHING SERVICES AGREEMENT

This Dispatching Services Agreement (“Agreement”) is made and entered into by and between the City of Columbia, Illinois (“City”), and the Columbia Fire Protection District (“District”) this _____ of _____, 2011, in Monroe and St. Clair Counties, Illinois.

WITNESSETH:

WHEREAS, the Constitution of the State of Illinois, 1970, Article VII, Section 10, authorizes units of local government to contract or otherwise associate among themselves in any manner not prohibited by law or ordinance; and

WHEREAS, the “Intergovernmental Cooperation Act”, 5 ILCS 220/1 et seq., provides that any power or powers, privileges or authority exercised or which may be exercised by a unit of local government may be exercised and enjoyed jointly with any other unit of local government; and

WHEREAS, Section 5 of the “Intergovernmental Cooperation Act”, 5 ILCS 220/5, provides that any one or more public agencies may contract with any one or more public agencies to perform any governmental service, activity or undertaking which any of the public agencies entering into the contract is authorized by law to perform, provided that such contract shall be authorized by the governing body of each party to the contract; and

WHEREAS, the President and the Board of Trustees of the District have determined that it is in the best interests of the public health, safety and welfare of the District and its residents that the parties enter into this Agreement to provide for a centralized dispatching service located in Columbia, Illinois, and servicing the District.

WHEREAS, the Mayor and City Council of the City of Columbia, Illinois, have determined that it is in the best interests of the public health, safety and welfare of the City and its residents that the parties enter into this Agreement to provide for a centralized dispatching service located in the City and servicing the District.

NOW, THEREFORE, IN CONSIDERATION OF THE PROMISES, THE MUTUAL ADVANTAGES TO BE DERIVED THEREFROM AND IN CONSIDERATION OF THE MUTUAL COVENANTS HEREIN CONTAINED, IT IS AGREED BY AND BETWEEN THE PARTIES HERETO AS FOLLOWS:

- 1. Incorporation of Preamble.** All the foregoing recitals set forth in the preamble to this Agreement are expressly incorporated herein and made a part of this Agreement.
- 2. Purpose.** The purpose of this Agreement is for the City to provide dispatching services to the District in accordance with the terms set forth herein.

Exhibit A

- 3. Term of Agreement.** The initial term of this Agreement shall be for a period of three (3) years beginning on the effective date of this Agreement. Thereafter, this Agreement shall automatically renew for an additional one (1) year term with no affirmative action by either entity, unless either party notifies the other party in writing at least Two Hundred Seventy (270) days prior to the expiration date of this Agreement.
- 4. Finances.** The District shall pay to the City a yearly fee of Six Thousand Two Hundred Twenty-Nine Dollars (\$6,229.00) for the dispatching services provided to the District for the initial year of this Agreement, with annual increases of five (5) percent. The annual increases shall take effect on each anniversary of the effective date of this Agreement or as may otherwise be agreed upon by the parties hereto. Payments shall be made in equal monthly installments to the City or as otherwise may be agreed by the parties hereto. The first monthly installment shall be due on the "Effective Date" of Operations as defined in the Intergovernmental Agreement.
- 5. Amendments.** This Agreement may only be amended in writing signed by the parties. Any amendment shall refer back to this Agreement and to other amendments, if any, on the same subject and shall specify the language to be added or changed. The execution of any such amendment shall be authorized by passage of an ordinance by each party.
- 6. Severability.** If any part of this Agreement is adjudged invalid, such adjudication shall not affect the validity of the entire Agreement as a whole or any other part hereof.
- 7. Notice.** Any notice required hereunder shall be deemed to be given on the date of mailing if sent by registered or by certified mail, return receipt requested, to the address(es) of the entities following their signatures at the end of this Agreement or at any other address(es) agreed to by the parties hereto.
- 8. Agreement Binding.** This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.
- 9. Miscellaneous.** Section titles are descriptive only and do not in any way limit or expand the scope of this Agreement, which is not in any way transferable by any entity hereto.
- 10. Dispute Resolution.** In the event of any dispute arising out of the application, interpretation or performance of this Agreement, the parties agree to meet and discuss the dispute and a potential resolution at least fifteen (15) days prior to instituting any legal action, unless either party may suffer immediate and irreparable harm from the non-performance, acts or omission of the other party in which case the aggrieved party may seek equitable relief immediately. In the event the parties are unable to resolve the dispute within the fifteen (15) day period, the parties agree to engage in non-binding mediation utilizing the services of the Federal Mediation & Conciliation Service of the United States.

Exhibit A

If a party refuses to participate in mediation, the other party may (1) file an action to compel mediation, or (2) be relieved from mediation and file any appropriate action in the Circuit Court of Monroe County, Illinois. Notwithstanding the foregoing, the parties agree that public safety is paramount, and there shall be no interruption or termination of services until a non-appealable final judgment is entered resolving any such dispute.

11. Effective Date. This Agreement will take effect on the “effective date” as defined in Section 2 of the Intergovernmental Agreement entered into by and between City and District as of December 28, 2010.

12. Standard of Service. Services provided by City to District under this Agreement will meet all applicable federal, state, county, industry, and NFPA standards for the dispatching of emergency fire and rescue services. Should the services not meet such standards and, after a sixty (60) day cure notice, not be cured to meet the standard, District may terminate this Agreement with no further obligation under it, upon thirty (30) days’ written notice.

In Witness Whereof, the parties, pursuant to the authority granted by ordinances passed by the City and District, have caused this Agreement to be executed by their Mayor/District President and attested by their respective City Clerk/Secretary and their respective corporate seals affixed hereto.

Attest:

City of Columbia, Illinois
A Municipal Corporation
208 S. Rapp Avenue
P.O. Box 467
Columbia, IL 62236-0467

J. Ronald Colyer, City Clerk

Kevin B. Hutchinson, Mayor

Attest:

Columbia Fire Protection District
1020 N. Main Street
Columbia, IL 62236

Secretary

District President

Exhibit B

LEASE-PURCHASE AGREEMENT

This Lease-Purchase Agreement ("Agreement") is entered into this _____ day of _____, 2011, by and between the City of Columbia ("City"), 208 S. Rapp Avenue, P.O. Box 467, Columbia, Illinois, 62236 and the Columbia Fire Protection District ("District"), 1020 N. Main Street, Columbia, Illinois, 62236.

WHEREAS, the City of Columbia, Monroe and St. Clair Counties, Illinois is a duly created, organized and validly existing municipality of the State of Illinois under the 1970 Illinois Constitution and the laws of the State of Illinois, including particularly the Illinois Municipal Code, and all laws amendatory thereof and supplementary thereto; and

WHEREAS, the Columbia Fire Protection District, Monroe and St. Clair Counties, Illinois, is a duly created and validly existing fire protection district pursuant to the Illinois Fire Protection District Act ("Act"); and

WHEREAS, the City currently operates a City fire department as part of the municipal services provided to its residents; and

WHEREAS, the City's citizens have voted affirmatively to annex into District pursuant to the Act; and

WHEREAS, the District will require City financial support prior to its receipt of real estate tax revenues after the filing of its tax levy incorporating the City's equalized assessed valuation ("EAV") into the District's EAV; and

WHEREAS, the District desires that the City transfer ownership and legal title of its 2008 Pierce Velocity 100 Foot Platform Truck to the District in order that the District may provide adequate fire protection to its citizens and businesses, and City is willing to transfer its ownership once all payments described in this Agreement have been made by District to City.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the City and the District agree as follows:

1. All of the foregoing recitals set forth in the preamble to this Agreement are expressly incorporated herein and made a part of this Agreement.

2. 2008 Pierce Velocity 100 Foot Platform Truck. The District agrees to fund the City's debt service attributable to the 2008 Pierce Velocity 100 ft. Platform Truck ("Platform Truck") on a Lease-Purchase basis. Although the District will start using the Platform Truck on the effective date of this Agreement, the District will make payments in arrears starting November 1, 2012, to coincide with the timing of its real estate tax receipts (with the City's EAV incorporated into the District's EAV). Each

Exhibit B

subsequent payment will be on November 1st of each year as shown on Exhibit "A", attached hereto and incorporated herein by reference. Upon the effective date of this Agreement, the District's total liability to the City as its Lease-Purchase aggregate payments due obligation will be determined and used as the basis for the payments to be made as shown on Exhibit "A". Payments will be made by the District to the City annually and will continue for the balance of the term of the financing used by the City to procure the Platform Truck and until the District's total liability attributable to the Platform Truck has been fully paid by District. Should City refinance the debt which includes the cost of the Platform Truck to lower the cost of the financing, the annual payments to be made by the District will be adjusted accordingly on a proportionate basis to the entire refinancing. Upon District's payment of its total liability in full, City will transfer unencumbered title of the Platform Truck to the District.

3. Maintenance and Insurance. The District shall be responsible for all maintenance and repairs to the Platform Truck. The District is also responsible for providing property and liability insurance on the Platform Truck; the property insurance shall be in an amount equal to the replacement cost of the Platform Truck with the City named as a Loss Payee, and liability insurance shall be in amounts of no less than \$1,000,000 per occurrence and \$2,000,000 aggregate with the City named as an additional insured.

4. Attorney Fees. In the event an arbitration, suit or action is brought by any party under this Agreement to enforce any of its terms, or in any appeal therefrom, it is agreed that the prevailing party shall be entitled to reasonable attorneys' fees to be fixed by the arbitrator, trial court and/or appellate court.

5. Amendments. This Agreement may only be amended in writing signed by the parties. Any amendment shall refer back to this Agreement and to other amendments, if any, on the same subject and shall specify the language to be added or changed. The execution of any such amendment shall be authorized by passage of an ordinance by each party.

6. Notice. Any notice required hereunder shall be deemed to be given on the date of mailing if sent by registered or by certified mail, return receipt requested, to the address(es) of the entities following their signatures at the end of this Lease or at any other address(es) agreed to by the parties hereto.

7. Titles and Captions. All article, section and paragraph titles or captions contained in this Agreement are for convenience only and shall not be deemed part of the context nor affect the interpretation of this Agreement.

8. Agreement Binding. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

Exhibit B

9. Further Action. The parties hereto shall execute and deliver all documents, provide all information and take or forbear from all such action as may be necessary or appropriate to achieve the purposes of this Agreement.

10. Good Faith, Cooperation and Due Diligence. The parties hereto covenant, warrant and represent to each other good faith, complete cooperation, due diligence and honesty in fact in the performance of all obligations of the parties pursuant to this Agreement. All promises and covenants are mutual and dependent.

11. Savings Clause. If any provision of this Agreement, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

12. Dispute Resolution. In the event of any dispute arising out of the application, interpretation or performance of this Agreement, the parties agree to meet and discuss the dispute and a potential resolution at least fifteen (15) days prior to instituting any legal action, unless either party may suffer immediate and irreparable harm from the non-performance, acts or omission of the other party in which case the aggrieved party may seek equitable relief immediately. In the event the parties are unable to resolve the dispute within the fifteen (15) day period, the parties agree to engage in non-binding mediation utilizing the services of the Federal Mediation & Conciliation Service of the United States. If a party refuses to participate in mediation, the other party may (1) file an action to compel mediation, or (2) be relieved from mediation and file any appropriate action in the Circuit Court of Monroe County, Illinois. Notwithstanding the foregoing, the parties agree that public safety is paramount, and there shall be no interruption or termination of services until a non-appealable final judgment is entered resolving any such dispute.

13. Effective Date. This Agreement will take effect on the "effective date" as defined in Section 2 of the Intergovernmental Agreement entered into by and between City and District as of December 28, 2010.

14. Disposition and Control of Apparatus. It is agreed and understood that the Platform Truck will be under the complete control of District throughout the term of this Agreement. Nothing in this Agreement shall preclude District from selling, trading in, or disposing of the Platform Truck which is the subject of this Agreement in the full discretion of District so long as District's Aggregate Payments Due/Total Liability amount (i.e., total amount due the City by District) payable under this Agreement, as reflected on Exhibit "A", is met (or will be met in connection with such sale, trade-in, or disposition) consisting of the aggregated payments made to City by District to the date of prepayment plus the applicable Prepayment Credit allowed as a credit to District against the total amount due City by District as detailed on Exhibit "A" and illustrated by Prepayment Examples set forth in that exhibit.

Exhibit B

Executed on the date above first written.

CITY OF COLUMBIA, ILLINOIS
208 S. Rapp Avenue
P.O. Box 467
Columbia, IL 62236-0467

COLUMBIA FIRE PROTECTION
DISTRICT
1020 N. Main Street
Columbia, IL 62236

Kevin B. Hutchinson, Mayor

By: _____
Title: President

Attest:

Attest:

J. Ronald Colyer, City Clerk

By: _____
Title: Secretary

**City of Columbia, Illinois - Columbia Fire Protection District
2008 Pierce Velocity 100 Foot Platform Truck
Lease-Purchase Agreement - June 2011
Exhibit "A"**

Shown hereon are the payments due the City of Columbia, Illinois ("City") by the Columbia Fire Protection District ("Fire District") pursuant to Section 2. of the Lease-Purchase Agreement to which this Exhibit "A" is an attachment; also shown is a column listing the Prepayment Credit amount applicable (to offset the Aggregate Payments Due/Total Liability balance due the City by the Fire District) upon payment in full of the Lease-Purchase obligation due the City by the Fire District prior to the final payment date shown hereon:

<u>Payment Due Date</u>	<u>Lease-Purchase Payment Amount Due</u>	<u>Prepayment Date</u>	<u>Prepayment Credit*</u>
11/01/11	In arrears		N/A
11/01/12	\$72,865.02		N/A
11/01/13	\$72,865.02		N/A
11/01/14	\$72,865.02		N/A
11/01/15	\$72,865.02	06/01/15	\$211,666.26
11/01/16	\$72,865.02	12/01/15	\$197,533.05
11/01/17	\$72,865.02	06/01/16	\$184,071.62
11/01/18	\$72,865.02	12/01/16	\$170,610.18
11/01/19	\$72,865.02	06/01/17	\$157,878.05
11/01/20	\$72,865.02	12/01/17	\$145,145.91
11/01/21	\$72,865.02	06/01/18	\$133,205.48
11/01/22	\$72,865.02	12/01/18	\$121,265.04
11/01/23	\$72,865.02	06/01/19	\$110,167.01
11/01/24	\$72,865.02	12/01/19	\$99,068.97
11/01/25	\$72,865.02	06/01/20	\$88,892.31
11/01/26	\$72,865.02	12/01/20	\$78,715.65
11/01/27	\$72,865.02	06/01/21	\$69,527.64
11/01/28	\$72,865.02	12/01/21	\$60,339.63
11/01/29	\$72,865.02	06/01/22	\$52,196.82
11/01/30	\$72,865.02	12/01/22	\$44,054.01
11/01/31	\$72,865.02	06/01/23	\$37,016.85
11/02/01	\$72,865.02	12/01/23	\$29,979.69
11/02/02	\$72,865.02	06/01/24	\$24,156.41
11/02/03	\$72,865.02	12/01/24	\$18,333.12
11/02/04	\$72,865.02	06/01/25	\$13,835.84
11/02/05	\$72,865.02	12/01/25	\$9,338.55
11/02/06	\$72,865.02	06/01/26	\$6,266.33
11/02/07	\$72,865.02	12/01/26	\$3,194.10
11/02/08	\$72,864.96	06/01/27	\$1,597.02
11/02/09	\$0.00		\$0.00
Aggregate Payments Due/Total Liability	\$1,165,840.26		

***NOTE:** The bonds issued by the City to fund the Platform Truck purchase may not be called until on or after 12/01/2014 with no less than 30 days notice given to the Paying Agent prior to any bond prepayment date (i.e., June 1st and December 1st of each year (in the event the entire bond issue is not paid in full)); therefore, no prepayment credit is shown hereon (nor will one be given) prior to 06/01/2015 -- Fire District must give City at least 31 days notice prior to any bond prepayment date of its intention to prepay its remaining Total Liability due the City in full pursuant to the Lease-Purchase Agreement. If Prepayment is made on any date other than the June 1st and December 1st dates shown hereon, a Prepayment Credit will be calculated based on the number of days that have passed (since the most recent June 1st or December 1st, whichever is applicable) until prepayment is made vs. the total amount of days in either the June 1st to December 1st or December 1st to June 1st time periods as applied to the difference between the applicable Prepayment Credit amounts shown hereon added to the Prepayment Credit shown for the next June 1st or December 1st date.

**City of Columbia, Illinois - Columbia Fire Protection District
 2008 Pierce Velocity 100 Foot Platform Truck
 Lease-Purchase Agreement - June 2011
 Exhibit "A"
 Prepayment Examples**

Shown hereon are sample calculations pertaining to the prepayment of the Aggregate Payments Due/Total Liability owed to the City of Columbia, Illinois ("City") by the Columbia Fire Protection District ("Fire District") as detailed on Exhibit "A" of the Lease-Purchase Agreement entered into by City and District in June, 2011. The examples shown below are for sample purposes only and assume that all payments are made in the amounts shown on Exhibit "A" on a timely basis:

Example 1 (Prepayment is made in full on 12/01/2016)

Aggregate Payments Due/Total Liability due the City by District:		<u>\$1,165,840.26</u>
Lease-Purchase Payments Made:		
11/01/12	\$72,865.02	
11/01/13	72,865.02	
11/01/14	72,865.02	
11/01/15	72,865.02	
11/01/16	<u>72,865.02</u>	\$364,325.10
Add: Prepayment Credit:		<u>170,610.18</u>
Total Lease-Purchase Payments & Prepay Cr.		\$534,935.28
Payment Due on 12/01/16:		
(\$1,165,840.26 - \$534,935.28)		<u>\$630,904.98</u>
Grand Total of Payments & Prepayment Credit		<u>\$1,165,840.26</u>

Example 2 (Prepayment is made in full on 09/01/2017)

Aggregate Payments Due/Total Liability due the City by District:		<u>\$1,165,840.26</u>
Lease-Purchase Payments Made:		
11/01/12	\$72,865.02	
11/01/13	72,865.02	
11/01/14	72,865.02	
11/01/15	72,865.02	
11/01/16	<u>72,865.02</u>	\$364,325.10
Add: Prepayment Credit:		
(\$145,145.91 + [(\$157,878.05 - \$145,145.91) X 91 Days/183 Days]		<u>151,477.19</u>
Total Lease-Purchase Payments & Prepay Cr.		\$515,802.29
Payment Due on 09/01/17:		
(\$1,165,840.26 - \$515,802.29)		<u>\$650,037.97</u>
Grand Total of Payments & Prepayment Credit		<u>\$1,165,840.26</u>

Exhibit C

LEASE

This Lease (“Lease” or “Agreement”) is entered into this ____ day of _____, 2011, by and between the City of Columbia (“City”), 208 S. Rapp Avenue, P.O. Box 467, Columbia, Illinois, 62236 and the Columbia Fire Protection District (“District”), Columbia, Illinois, 62236.

WHEREAS, the City of Columbia, Monroe and St. Clair Counties, Illinois is a duly created, organized and validly existing municipality of the State of Illinois under the 1970 Illinois Constitution and the laws of the State of Illinois, including particularly the Illinois Municipal Code, and all laws amendatory thereof and supplementary thereto; and

WHEREAS, the Columbia Fire Protection District, Monroe and St. Clair Counties, Illinois, is a duly created and validly existing fire protection district pursuant to the Illinois Fire Protection District Act (“Act”); and

WHEREAS, the City currently owns real property that has been used for, and is suited for, operation of a fire department; and

WHEREAS, the City’s citizens have voted affirmatively to annex into the District pursuant to the Act; and

WHEREAS, since the voters of the City voted affirmatively to annex into the District and, therefore, the City no longer needs to use the real estate currently in use for the operation of the City fire department; and

WHEREAS, the District desires to lease the real estate currently in use for the operation of the City fire department from the City.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the City and the District agree as follows:

1. *Incorporation of Preamble.* All the foregoing recitals set forth in the preamble to this Agreement are expressly incorporated herein and made a part of this Agreement.

2. *Property.* The City agrees to lease to the District that portion of real estate currently used for the operation of the City fire department. The Property includes several bays for housing various fire trucks, a fire department office, and use of the common areas, including a training room.

3. *Term.* The initial term of this Agreement shall be for a period of ten (10) years beginning on the effective date of this Agreement. Thereafter, this Agreement shall automatically renew for an additional ten (10) year term with no affirmative action by either entity, unless either party notifies the other party in writing at least eighteen (18) months prior to the expiration date of this Lease.

Exhibit C

4. Rent. The District shall pay as rent the sum of \$1.00 each year, with said payment being due on or before January 1 of each year.

5. Utilities and Insurance. The District shall pay for the utility charges associated with its occupancy of the leased premises. These amounts will be based on District's actual usage where this can be determined or on the percentage of square foot usage the district maintains in the entire Public Safety Complex, provided that this provides a reasonable estimate of District's portion of these expenses. Said utility charges include, but are not limited to, water, sewer, trash, electricity, and gas charges. The District will provide insurance coverage for the leased premises, subject to reimbursement by the City for that portion of the square footage of the leased premises which is used by the City for its ambulance service or pursuant to any other arrangements agreeable to City and District. The amount of liability insurance coverage provided by the District will be in amounts of no less than \$1,000,000 per occurrence and \$2,000,000 aggregate. The City will be named as an additional insured on said general liability insurance policy. The District shall be responsible for any other insurance charges, including personal property insurance.

6. Maintenance and Improvements. The District shall be responsible for any and all routine maintenance and repairs required on the leased premises. The District shall notify the City of any repairs made to the leased premises, along with the name of the person or company that is to perform said repairs. The District shall not make any improvements to the leased premises without first receiving written authorization from the City which shall not be unreasonably withheld. In the event that the leased premises requires major repairs, the District and City will mutually agree on which party is responsible for making said major repairs.

7. Indemnification. Except to the extent that any liability, loss, cost, damage or expense is paid by insurance proceeds, the District agrees to indemnify the City against any and all liability, loss, cost, damage or expense sustained by the City, including attorney fees and other expenses of litigation, arising prior to the termination of the term of this Agreement and delivery to the City of possession of the leased premises on account of or through the use of the leased premises or improvements or any part of them by District or by any other person for any purpose inconsistent with the provisions of this Lease agreement or arising out of, or directly or indirectly due to, any accident or other occurrence causing injury to any person or persons or property resulting from the use of the leased premises and improvements or any part of them. Except to the extent that any liability, loss, cost, damage or expense is paid by insurance proceeds, the City agrees to indemnify the District against any and all liability, loss, cost, damage or expense sustained by the District, including attorney fees and other expenses of litigation, arising prior to the termination of the term of this Agreement and delivery to the City of possession of the leased premises on account of or through the use of the leased premises or improvements or any part of them by City or by reason of the act or omission of City or any employee, representative, or agent of City with respect to the leased premises arising out of, or directly or indirectly due to, any accident or other occurrence causing injury to any person or persons or property in connection with the leased premises and improvements or any part of them. The foregoing notwithstanding, this paragraph is not intended to limit either party's insurance company's subrogation rights.

Exhibit C

8. Assignment or Subletting. The District must not assign its interest under this Agreement, or any part of this Agreement, without the prior, express and written consent of the City. Any assignment by the District without the City's consent is void at the option of the City, which may immediately reenter and take possession of the leased premises, or any part of the leased premises, without giving any notice. The District must not sublet any part of the leased premises, without the prior, express and written consent of the City. Any subletting by the District without the City's consent is void at the option of the City, which may immediately reenter and take possession of the leased premises, or any part of the leased premises, without giving any notice. The City reserves the right to assign its interest under this Agreement and any sums under this Agreement on the sale or transfer of the leased premises.

9. The City, by or through its elected or appointed officials, reserves the right to inspect the leased premises from time to time upon reasonable notice to District and without interference with District's operations and use of the leased premises.

10. Attorney Fees. In the event an arbitration, suit or action is brought by any party under this Agreement to enforce any of its terms, or in any appeal therefrom, it is agreed that the prevailing party shall be entitled to reasonable attorneys' fees to be fixed by the arbitrator, trial court and/or appellate court.

11. Amendments. This Lease may only be amended in writing signed by the parties. Any amendment shall refer back to this Lease and to other amendments, if any, on the same subject and shall specify the language to be added or changed. The execution of any such amendment shall be authorized by passage of an ordinance by each party.

12. Notice. Any notice required hereunder shall be deemed to be given on the date of mailing if sent by registered or by certified mail, return receipt requested, to the address(es) of the entities following their signatures at the end of this Lease or at any other address(es) agreed to by the parties hereto.

13. Titles and Captions. All article, section and paragraph titles or captions contained in this Agreement are for convenience only and shall not be deemed part of the context nor affect the interpretation of this Agreement.

14. Agreement Binding. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

15. Further Action. The parties hereto shall execute and deliver all documents, provide all information and take or forbear from all such action as may be necessary or appropriate to achieve the purposes of this Agreement.

16. Good Faith, Cooperation and Due Diligence. The parties hereto covenant, warrant and represent to each other good faith, complete cooperation, due diligence and

Exhibit C

honesty in fact in the performance of all obligations of the parties pursuant to this Agreement. All promises and covenants are mutual and dependent.

17. Savings Clause. If any provision of this Agreement, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

18. Dispute Resolution. In the event of any dispute arising out of the application, interpretation or performance of this Agreement, the parties agree to meet and discuss the dispute and a potential resolution at least fifteen (15) days prior to instituting any legal action, unless either party may suffer immediate and irreparable harm from the non-performance, acts or omission of the other party in which case the aggrieved party may seek equitable relief immediately. In the event the parties are unable to resolve the dispute within the fifteen (15) day period, the parties agree to engage in non-binding mediation utilizing the services of the Federal Mediation & Conciliation Service of the United States. If a party refuses to participate in mediation, the other party may (1) file an action to compel mediation, or (2) be relieved from mediation and file any appropriate action in the Circuit Court of Monroe County, Illinois.

19. This Agreement will take effect on the "effective date" as defined in Section 2 of the Intergovernmental Agreement entered into by and between City and District as of December 28, 2010.

Executed on the date above first written.

CITY OF COLUMBIA, ILLINOIS
208 S. Rapp Avenue
P.O. Box 467
Columbia, IL 62236-0467

COLUMBIA FIRE PROTECTION
DISTRICT
1020 N. Main Street
Columbia, IL 62236

Kevin B. Hutchinson, Mayor

By: _____
Title: President

Attest:

Attest:

J. Ronald Colyer, City Clerk

By: _____
Title: Secretary