

**MEMORANDUM OF UNDERSTANDING  
&  
TRANSPORTATION VAN LEASE AGREEMENT**

This lease, effective as of the 22<sup>nd</sup> day of August, 2022, is between Thomas County, Kansas, referred to as "Lessor", and The City of Goodland, Kansas, referred to as "Lessee".

The intent of this memorandum of understanding and transportation van lease agreement is to provide the formal written agreement between Thomas County, Kansas, and the City of Goodland, Kansas. The City of Goodland's only public transportation van was involved in an automobile accident rendering it inoperable and thereby ceasing all public transportation operations. Thomas County, Kansas, has agreed to provide a transportation van to the City of Goodland, Kansas, to be used for the City's public transportation system during the term in which the City's current transportation van remains inoperable or is replaced.

Subject to the terms and conditions stated below, Lessor leases to Lessee, and Lessee leases from Lessor a passenger transportation van for the purpose of providing public transportation for the citizens of Goodland, Kansas, referred to as the property.

**SECTION ONE  
TERM OF LEASE**

The term of this lease shall begin on the effective date written above and continue on a month-to-month basis.

**SECTION TWO  
RENT**

Lessee agrees to pay to Lessor, as rent for the property, the sum of one-thousand five-hundred Dollars (\$1,500.00) per month. The rental payment is due by the 1<sup>st</sup> of each month and must be paid within ten (10) calendar days of the due date. In the event the Lessee does not require the use of the transportation van for an entire month period the Lessee agrees to pay a prorated daily rental rate of fifty Dollars (\$50.00) per day, with the entire amount to be paid on the 1<sup>st</sup> of the month following when the Lessee ceases use of the property.

This agreement is subject to the provisions of the Kansas Cash Basis Law, K.S.A. 10-1101 et seq., and amendments thereto, (the "Act"). By virtue of this Act the City is obligated to only pay periodic payments as contemplated by this agreement as may lawfully be made from funds budgeted and appropriated for that purpose during the City's current budget year or from funds made available from any lawfully operated revenue producing source. Should the City fail to budget appropriate or otherwise make available funds for payments due under this agreement in any budget year, this agreement shall be deemed terminated on the last day of the then current budget year for which

appropriations were received, without penalty or expense to the City of any kind whatsoever.

### SECTION THREE LOCATION OF PROPERTY

Lessee shall house and keep the property within the City limits of Goodland, Kansas during the term of this lease agreement.

### SECTION FOUR CARE OF PROPERTY

Lessee shall use the property in a careful and proper manner and shall comply with all laws, ordinances, and regulations relating to the possession, use, or maintenance of the property. The property shall be used only for the purpose of public passenger transportation within the city limits of Goodland, Kansas.

### SECTION FIVE ALTERATIONS

Lessor agrees that Lessee may place temporary identification markers or signs on the transportation van indicating the vehicle is the City of Goodland's public transportation. Lessee agrees that it will make no other alterations to or in the property without obtaining prior written permission from Lessor.

### SECTION SIX MAINTENANCE AND REPAIR

Lessee, at Lessee's own cost and expense, shall keep the property in good repair, condition, and working order. Lessee shall not remove, alter, disfigure, or cover up any numbering, lettering, or insignia displayed on the property, and shall see that the property is not subjected to careless or needlessly rough usage.

### SECTION SEVEN LESSOR'S RIGHT OF INSPECTION

Lessor, at all times during business hours, shall have the right to enter on the premises where the property may be located for the purpose of inspecting it or observing its use. Lessee shall give Lessor immediate notice of any attachment or other judicial process affecting the property and, whenever requested by Lessor, shall advise Lessor of the exact location of the property.

### SECTION EIGHT RETURN OF PROPERTY

Upon the termination of this lease Lessee shall return the property to Lessor in

good repair, ordinary wear and tear resulting from proper use alone, by delivering the property at Lessee's expense to such place as Lessor shall specify within Thomas County, Kansas.

#### SECTION NINE DELIVERY AND ACCEPTANCE OF PROPERTY

Lessor shall inspect the property immediately prior to Lessee taking possession of the property. Unless Lessee, within five (5) days, gives written notice to Lessor specifying any defect in or other proper objection to the property, Lessee agrees it shall be conclusively presumed, as between Lessor and Lessee, that Lessee has fully inspected and acknowledged the property to be in good condition and repair, and that Lessee is satisfied with and has accepted the property in such good condition and repair.

#### SECTION TEN RISK OF LOSS OR DAMAGE

Lessee assumes all risk of loss of and damage to the property from any cause. No loss or damage to the property will impair any obligation under this lease, which will continue in full force and effect. In the event of loss of or damage to the property, Lessee, at the option of Lessor, shall:

- (a) Place the property in good repair; or
- (b) Replace the property with like property in good repair.

#### SECTION ELEVEN OBLIGATION TO INSURE

Lessee, at Lessee's own expense, shall keep the property insured for such risks and in such amounts as Lessor shall require with carriers acceptable to Lessor, shall maintain a loss payable endorsement in favor of Lessor affording to Lessor such additional protection as Lessor shall require, and shall maintain liability insurance satisfactory to Lessor. All such insurance shall name Lessor and Lessee as insured. Lessee shall deliver to Lessor evidence satisfactory to Lessor of all such insurance. If loss or damage occurs under circumstances in which Lessee is not in violation of the terms of any such policies, and if Lessee has fulfilled Lessee's obligations under this lease, and is not otherwise in default under this lease, Lessor will pay Lessee so much of any insurance proceeds received by Lessor as the result of such loss and will fully reimburse Lessee for the net expense incurred by Lessee in fulfilling Lessee's obligations under this agreement.

#### SECTION TWELVE INDEMNITY OF LESSOR

Lessee shall indemnify and hold Lessor harmless from and against all claims, actions, proceedings, costs, damages, and liabilities, including attorney fees, arising out of,

connected with, or resulting from use of the property, including, but not limited to delivery, possession, use, operation, or return of the property.

SECTION THIRTEEN  
EVENTS CONSTITUTING DEFAULT

The following events shall constitute default under this agreement:

- (a) The nonpayment of rent by Lessee; or
- (b) The nonperformance by Lessee of any other term, covenant, or condition of this lease that is not cured within 10 days after written notice of nonperformance from Lessor.

SECTION FOURTEEN  
LESSOR'S RIGHTS ON DEFAULT

On the occurrence of any of the events stated in Section Thirteen as constituting defaults, Lessor, after providing written notice to or demand on Lessee, may declare this lease agreement terminated and take possession of the property.

SECTION FIFTEEN  
GOVERNING LAW

This lease shall be governed by and construed under the laws of the State of Kansas.

SECTION SIXTEEN  
OWNERSHIP OF THE PROPERTY

The property is, and shall at all times remain, the sole property of Lessor, and Lessee shall have no right, title, or interest in the property except as expressly set forth in this lease.

SECTION SEVENTEEN  
LIMITATION OF EFFECTS OF WAIVERS

No delay or omission to exercise any right, power, or remedy accruing to Lessor on any breach or default under this lease shall impair any such right, power, or remedy of Lessor, nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default occurring subsequently; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default occurring previously or subsequently. Any waiver, permit, consent, or approval of any kind or character on the part of Lessor of any breach or default under this lease, or any waiver on the part of Lessor of any provision or condition of this lease, must be in writing and shall be effective only to the extent in such writing specifically set forth. All remedies, either under this lease or by law, or otherwise afforded to Lessor, shall be cumulative and

not alternative.

SECTION EIGHTEEN  
NOTICES

Any communications between Lessor and Lessee, payments, and notices provided in this agreement to be given or made, shall be given or made by mailing them to the parties as follows:


LESSOR: Thomas County  
300 North Court  
Colby, Kansas 67701

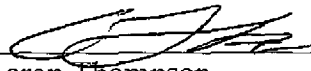
LESSEE: City of Goodland  
P.O. Box 59  
Goodland, KS 67735

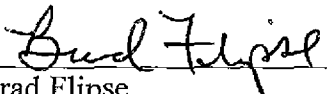
IN WITNESS WHEREOF, each party has caused this agreement to be executed on the date indicated below.


LESSOR:  
THOMAS COUNTY, KANSAS

LESSEE:  
CITY OF GOODLAND, KANSAS

  
\_\_\_\_\_  
Michael Baughn,  
County Commissioner

  
\_\_\_\_\_  
Aaron Thompson,  
Mayor

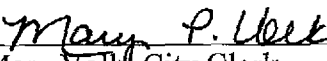
  
\_\_\_\_\_  
Brad Flipse,  
County Commissioner

  
\_\_\_\_\_  
Brian Luedke,  
County Commissioner

Attest:

Attest:

  
\_\_\_\_\_  
Keesa Mariman, County Clerk

  
\_\_\_\_\_  
Mary Volk, City Clerk